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# Daily Report

# Central Eurasia

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Central Eurasia

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# Key Developments

## Rybkin Supports Yeltsin's Stance Against Extremism

*LD2310134195 Moscow ITAR-TASS in English 1125 GMT 23 Oct 95*

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW October 23 (ITAR-TASS) — Russian State Duma speaker Ivan Rybkin echoed the call of President Boris Yeltsin to work against extremist forces in order to deny them a majority in the new parliament.

Rybkin, however, was not that straightforward as the president who put it bluntly on Friday [20 October] that it was necessary to "campaign against the communists".

The speaker, who came to the Duma on the communist ticket, told reporters on Monday that "extremists, maximalists should be pushed to the outskirts of political life". Otherwise, "a big misfortune may happen", he warned.

Rybkin called on the voters to think a lot and "show common sense" while casting their ballots.

"It is they (the voters) who are responsible for those who come to the assembly hall of the State Duma", Rybkin said.

Yetlsin's calls caused a vigorous protest from communists who even warned they may sue the president.

## Communists To Appeal Against Electoral Commission Ruling

*LD2110165195 Moscow INTERFAX in English 1440 GMT 21 Oct 95*

[FBIS Transcribed Text] MOSCOW, Oct 21 (INTERFAX) — The electoral alliance Communists Union has voiced its intention to appeal against Central Electoral Committee actions in Russia's Constitutional Court.

A statement released by the alliance's executive committee says that the court action has been prompted by the publication in ROSSIYASKAYA GAZETA by the Central Electoral Committee on October 10 of "clarifications", pointing out that signatures for elections can be collected only on the territory of the Russian Federation. In the meantime, as Communists Union argues, "article 39 of the Federal Election Law allows the collection of signatures everywhere", in and outside the Russian Federation.

The statement then says that the Central Electoral Committee's act has not only deprived ethnic Russians abroad of part of their election right but "actually at the end of the signature raising campaign has thrown Communists Union out of the election contest since about one fourth of the signatures required for registration has been collected by communists in the Baltic republics, in the Transdniester region, and elsewhere.

## Fedorov Urges Formation of Coalition Government

*LD2410094895 Moscow ITAR-TASS in English 0824 GMT 24 Oct 95*

[By Yuriy Khots]

[FBIS Transcribed Text] Krasnoyarsk, October 24 (ITAR-TASS) — "The only way to overcome the situation, which may emerge in the country after the December elections, is to form a coalition government before the presidential elections," leader of the "Forward, Russia!" association Boris Fedorov told journalists in Krasnoyarsk today. "Such a coalition could include all the democratic and centrist forces — from the Gromov and Rybkin blocs to Gaydar's 'Russia's Choice', 'Yabloko', 'Our Home is Russia, 'Pres', 'Women of Russia', and 'Forward, Russia!'," he added. "In spite of their substantially differing programmes, such a coalition is perfectly feasible. They all have one feature in common — they definitely stand for democracy, oppose all forms of extremism, and will not stage any 'mad' experiments in the economic sphere," Fedorov stated.

"The creation of such a coalition," he stressed, "is the only way to prevent the turning of 1996 into a repetition of 1993, when the political tension will grow and, consequently, give reasons for cancelling the presidential elections. This is not in the interests of sober-minded people."

"A new political situation will emerge in Russia after the December 17 election," Fedorov pointed out. "But in spite of the predicted victory of communists, I do not believe that they will really get the majority in the State Duma," he stated.

## 'Criminal' List Includes LDPR, Yabloko, APR Candidates

*LD2310225895 Moscow INTERFAX in English 1938 GMT 23 Oct 95*

[FBIS Transcribed Text] MOSCOW, Oct 23 (INTERFAX) — INTERFAX news agency today received from Central Electoral Commission Chairman Nikolay Ryabov a list of candidates to parliament who were formerly tried or who are currently under investigation.

Various electoral blocs and parties have put these people on the federal lists of their candidates to the State Duma, parliament's lower chamber.

Ryabov has received this list from Russian Interior Minister Anatoliy Kulikov. The list includes 87 names.

The Liberal Democratic Party of Russia [LDPR] is the leader in terms of the presence on their list of candidates who are persons formerly sentenced or currently under investigation. The LDPR has on its federal lists 12 people who served criminal sentences, two of them were sentenced by military courts.

The LDPR is followed by the Derzhava movement led by former Russian vice president Aleksandr Rutskoy (six people, some of them tried several times).

The Communist Party's federal list of candidates includes four people who were earlier tried, two of them freed due to the amnesty declared by the State Duma in February 1994.

Other electoral blocs and parties have among their candidates from one to three people earlier sentenced for various crimes, including two people from the Yabloko movement, two people from the Agrarian Party of Russia [APR] and three people from the Forward Russia movement.

Under existing legislation, a person formerly sentenced by court or currently serving a sentence cannot be elected to parliament.

### Single-Seat Candidacies of 'Number Two Slots' Viewed

*MM2410111295 Moscow ROSSIYSKIYE VESTI Saturday Edition in Russian 21 Oct 95 p 8*

[Report by Feliks Babitskiy: "Number Twos Take a Step Forward!"]

[FBIS Translated Text] Party and electoral bloc leaders occupying the number two slot on the federal lists have been particularly busy of late, putting themselves forward as candidates in single-seat districts too. It is appropriate to ask: What is the point of all the extra bother? Why, for example, should Svetlana Goryacheva also stand in Nakhodka, Aleksandr Lebed in Tula, and Sergey Baburin and Aleksey Kazannik in Omsk?

For all the outward similarity of the situations here, the answer in each case will be different.

It is not difficult to understand the situation of Baburin and Kazannik. The prospects for the Free Labor Party and the Power to the People! blocs are far from optimistic. Some commentators do not even think they will collect enough signatures in support of them in time. But if they do manage to do this, their ability to surmount the 5-percent barrier will still be in doubt. This means that it is better to take out insurance and to try your luck back home too, where everyone knows you and, moreover, many people love you. True, both Aleksey Ivanovich and Sergey Nikolayevich are natives of Omsk, which means only one of them will make it in the district. People say that there are enough candidates there, but the main battle will be fought between those two.

Goryacheva and her party are guaranteed a place in the Duma. However, she very much wants to test her own strength. There are special reasons for this. You will recall that Svetlana Petrovna stood for the same district two years ago, but was forced to withdraw her nomination because of, according to her, threats of violence made against her and those close to her. Many democrats who shout today about the "mafia-cum-fascist" regime in Maritime Kray merely laughed at Mrs. Goryacheva at the time. I have not heard that she has paid them back in kind, but she certainly does want to get her own back on the local "fraternity." If everything proceeds without violence this time, her chances in the district are most favorable.

General Lebed stands alone among the "number twos." He actually has nothing to worry about either: Even with the worst outcome for the Congress of Russian Communities [KRO], he will win a seat. And given that the legendary lieutenant general's name is one of the essential components of his movement's success, he finds the chairmanship of the [Duma Defense] committee, currently occupied by Colonel Yushenkov, a highly attractive post. The situation needs no comment. Lebed is the only real contender for the presidency in the 1996 elections among the politicians listed, and he knows this. The Tula campaign is a probing action for the general in advance of his presidential nomination. It is in Tula that he must put into practice the slogan of another Aleksandr, his great predecessor in the post of commander of the Dniester Army, Suvorov: "Tough Training Makes for Easier Fighting." In the elections people will no longer pay attention to party affiliation but will look solely at the personality of the candidate. Now in Tula the general has only one serious opponent, the city's mayor, and beating him is not even a point of honor but a matter of political survival.

## Regional Activities

### Yavlinskiy Notes 'China Question' in Chelyabinsk

*LD2410113495 Moscow ITAR-TASS World Service in Russian 0435 GMT 24 Oct 95*

[By ITAR-TASS correspondent Yevgeniy Tkachenko]

[FBIS Translated Text] Chelyabinsk, 24 Oct (ITAR-TASS) — Grigoriy Yavlinskiy, leader of the Yabloko movement, who today completes an election visit to

Chelyabinsk Region, touched on the "China question" at meetings with voters. Noting the positive results of the economic reforms implemented in China, he also said that these must not be automatically transferred to Russia because of the differences in the political systems of the two countries and the unusually cheap labor in China.

Grigoriy Yavlinskiy expressed misgivings that an economic crisis is coming to a head in China, compared with which the events which have shaken Russia in recent years could look insignificant. This crisis, in his opinion, could present a serious threat to Russia, which has a lengthy border with the PRC. Even now, he said, around five million Chinese have settled illegally in our country.

### CPRF's Zyuganov Campaigns in Novosibirsk

*964F0139B Novosibirsk SOVETSKAYA SIBIR in Russian 17 Oct 95 p 1*

[A. Zharinov report: "Chief 'Bolshevik' Greeted With Flowers"]

[FBIS Translated Text] Russia's chief "Bolshevik," Gennadiy Zyuganov, was greeted in Novosibirsk with flowers. At the Novosibirsk-Glavnyy Railroad Station, to which he was brought from Omsk by the "Irtysh" company train, at the House of Scientists of Akademgorodok, and at meetings with the public at the Railroad Workers' Palace of Culture and the Chkalov Palace of Culture.

As Gennadiy Andreyevich said, for that matter, the first bouquet had been presented to him in Tatarsk at 0100 by the local communists:

"I was awakened and 'dragged' onto the platform, and a mini-meeting was arranged.... The train started to move, I was standing on the platform in slippers.... I was barely in time jumping into the compartment."

Recalling this amusing episode, he laughs infectiously, confounding the notions of himself as a dry party functionary.

The present trip of the chairman of the Communist Party of the Russian Federation Central Executive Committee and deputy of the State Duma, marked the start, as should officially have been announced earlier, of the communists' election campaign. As we know, the CPRF [Communist Party of the Russian Federation—Kommunisticheskaya partiya Russkoy Federatsii] was the first to register its party slate with the Central Election Commission, presenting more than 300,000 votes [as published]. Over 1 million were collected altogether. There are 443 candidates on the slate, and these are not only members of the CPRF, moreover, but nonparty persons also—those who share the goals of justice, humanism, kindness, and government by the people. When G. Zyuganov cited the well-known names of Svetlana Goryacheva, Aman Tuleyev, Petr Romanov, Valentin Varennikov, Nikolay Gubenko, and Svetlana Savitskaya, the hall erupted in applause.

The CPRF leader cannot be denied logic. In his roughish, booming bass voice the audience received the generally well-known truths to the effect that "the authorities are finally bankrupt" and that "Gaydar with his shock therapy is the main racketeer of Russia." But Zyuganov did not so much accuse as propose. The communist faction has prepared a whole package of priority anticrisis bills, which, alas, "no one wants to see." Specifically, it proposes the adoption of a package of emergency measures of direct state regulation to stimulate the commodity producers, channel more capital investments into domestic production, and end the uncontrolled sale overseas of financial and material resources.

Following four years of defamation of the party and calls for a "new Nuremberg" in the fight against "communo-fascism," a difficult reconceptualization is taking place in the minds of Russians. But many people continue to be gnawed by doubt: Would not a new historical stage of empty shelves, lines, and coupons for sausage begin with the accession to power of the Zyuganovites? As if playing up to these sentiments, incidentally, on 11 October the newspaper IZVESTIYA carried items on how, following the communists' victory at the municipal Duma elections in Volgograd, the populace would be starting to lay in salt, sugar, and matches by the sackful.

"The attempts to intimidate us with the past are futile," G. Zyuganov declared. "Look at the lines in which the 'radical democrats' have placed Russians. Where do these lines lead: to the morgue, to the employment exchange, for the pension, for wages...."

Zyuganov appeared at the meetings everywhere surrounded by the local CPRF candidates: V. Kuznetsov, A. Lokot, L. Shvets, G. Berdov, A. Donchenko, and L. Bochkarev. This was essentially their first introduction to the Novosibirsk electorate and the "fall arrival of the leader". They looked pretty good—from the stage, it is true. Will the electorate accept them backstage?

### Delegation Campaigns for KRO in Volga Region

*964F0139A Kazan IZVESTIYA TATARSTANA in Russian 17 Oct 95 p 1*

[Article by Galina Grigorenko: "We Have the Swan. Will We Get the Crab and Pike as Well?"]

[FBIS Translated Text] The motorship Aleksandr Pushkin with an eye-catching poster on board: "International Congress of Russian Communities," made fast last Sunday at a mooring of the Kazan river port.

The capital of Tatarstan is the 10th landing stage of this charitable operation. The delegation, which includes leaders of the MKRO [International Congress of Russian Communities—Mezhdunarodnyy Kongress russkikh obshchin] and activists of the Russian communities of Sevastopol, the Dniester region, and Chechnya, has already visited large cities of the Volga region, where it has met with the community and collected donations in support of refugees and involuntary immigrants. And has in passing, of course, engaged in unobtrusive campaigning for the Congress of Russian Communities [KRO—Kongress russkikh obshchin] election bloc, which has, in the opinion of many political scientists, a good chance of success.

Journalists did not have an opportunity to meet with the trio of main leaders of the KRO. Yuriy Skokov is reputed to be a "closely held" type of politician and very rarely takes part in mass activities. Aleksandr Lebed was holding a meeting with servicemen in Moscow. Sergey Glazyev left the motorship back in Cheboksary. So the interlocutor of the representatives of the news media was Dmitriy Rogozin, chairman of the KRO Executive Committee, who is number five on the central slate of this election association.

The discussion was yet further confirmation of the very prevalent viewpoint that the KRO pertains more to the category of center-right organizations than to the patriotic part of the political spectrum.

A single theme may be traced in all the public speeches of the leaders of this bloc: "It is dangerous to solve the Russian question at the expense of other peoples as a counterweight to their national interests." It was the KRO, incidentally, which sponsored the creation of the Union of Peoples of Russia public movement and was the author of so strategic a slogan as "Without the unity of the Russian people, there can be no union of peoples of Russia. Without the union of the peoples of Russia, there can be no strong efficient state—the guarantor of nationwide interests."

It is entirely possible that it will be this formula that becomes the all-Russian idea, the search for which many politicians are fighting over. The mere prospect of seeing in their lifetime Russia as a great power and genuine federation taking account of regional interests and specific features and guaranteeing human rights is attractive to the electorate also.

As we know, the KRO was among the first to have negotiated the 5-percent barrier, having presented to the Central Election Commission several hundred thousand signatures, which were collected mainly in the regions. More than 10,000 persons appended their signatures in support of the KRO in Tatarstan.

According to certain forecasts, this bloc can expect 15 percent of the vote if it makes the right use of all the trump cards at its disposal. The electorate should know precisely that the leaders of the KRO—a professional politician, a combat general, and an economist—left high state office of their own accord and aspire fully to making power ethical and responsible. And this "troika" should be seen, what is more, as a strong team, not a group that will after 17 December be pulled by the party cart in various directions.

If the December election campaign is considered a prelude to the presidential elections, the question of which of the leaders of the KRO could lay claim to the role of chief of state could arise. Dmitriy Rogozin believes that it will all depend on the situation that shapes up in Russia. If events develop by a constructive path, a civilian should be president of the Russian Federation—Yuriy Skokov—and if the danger of a big fight arises—General Aleksandr Lebed.

The news conference did not last long. The journalists saved their questions for meetings with the next visitors, and the guests were in a hurry to look around Kazan while it was still light. Activists of the local Democratic Party of Russia organization were somehow conspicuous by their absence from those accompanying them on the tour of the city. This is understandable. Three months ago some of them were promised not the least places on the KRO's regional slate. But the cherished vacancies were given to two former Communist Youth League staffers and one businessman.

### Nizhegorod Voters Favor Yavlinskiy for President

*964F0139C Nizhniy Novgorod NIZHEGORODSKAYA PRAVDA in Russian 19 Sep 95 p 1*

[Article by A. Iudin, head of the Department of Applied Sociology of the Nizhniy Novgorod State University, based on poll figures of the Research Sociological Center: "Nizhegorod Residents on the Candidates for the Highest Office in the Oblast and Nationally"]

[FBIS Translated Text] The activity of the news media in preparation for the election campaign is already beginning to affect the general political consciousness. At the end of August we asked Nizhegorod residents a question in this connection about their preferred candidates for the offices of president of Russia and governor of Nizhegorod Oblast. The questions were open, that is, the questionnaire offered no alternative candidates.

The population is beginning to take an interest in the coming elections, and a good many townspeople responded to the open questions concerning the candidates. Thus 30 percent of Nizhegoroders have even today made their choice of the best candidate for the office of president of Russia and gave a specific name. A negligible proportion of Nizhegoroders see no worthy candidate and believe that this office is altogether unnecessary. More than half, evidently, are awaiting the more extensive development of the campaign before making their choice.

Nizhegoroders who show no loyalty toward the authorities are noticeably less active on this issue. They not only mention a specific name considerably less frequently but also say more often that they are indifferent to this.

The one-third of Nizhegoroders who have made their choice in favor of a specific candidate rest their choice most often on G. Yavlinskiy. B. Nemtsov, A. Lebed, and B. Yeltsin have high approval ratings also. On the whole, it may be observed that politicians with an orientation toward continuation of the reforms have a higher approval rating than politicians of an opposition persuasion.

Nizhegoroders' opinion on the most suitable candidate for the office of president of Russia is as follows (percentage of number of those who indicated the name of a specific candidate):

G. Yavlinskiy—22 percent, B. Nemtsov—15 percent, A. Lebed—10 percent, B. Yeltsin—9 percent, V. Chernomyrdin—6 percent, Ye. Gaydar—6 percent, S. Fedorov—6 percent, G. Zyuganov—5 percent, A. Rutskoy—5 percent, B. Fedorov—3 percent, N. Ryzhkov—3 percent, V. Zhirinovskiy—3 percent, E. Pamfilova—1 percent, I. Rybkin—1 percent, I. Lapshin—1 percent, A. Tuleyev—1 percent, and Yu. Vlasova—1 percent.

Lack of loyalty is not identical to opposition and has a complex and specific structure. A large group of those disloyal to the central authorities most often name among their preferred candidates G. Yavlinskiy, A. Lebed, S. Fedorov, and G. Zyuganov. The most intense and the smallest group of disloyals prefer G. Zyuganov most for the office of president. All Nizhegoroders like A. Lebed except those loyal to the central authorities, who reject him totally.

Nizhegoroders reacted considerably more actively to the question of preferred candidate for the post of governor of Nizhegorod Oblast: Half of the townspeople cited a specific name. Loyal Nizhegoroders proved more active on this question also. The reaction of the disloyals, toward the local authorities particularly, is distinguished also by a certain listlessness (do not know, have not thought, it is a matter of indifference to me) and irritation (I see no worthy candidate, this office is wholly unnecessary). As usual, it is the representatives of the disloyal groups who more often simply stay away from the polls.

Nizhegoroders displayed high unanimity when citing the name of the most preferred candidate for the post of governor—B. Nemtsov— 88 percent of those responding to this question. It is interesting that B. Nemtsov was preferred as the best candidate for the post of governor not only and not so much by those loyal to the local authorities as by Nizhegoroders who have not determined their position.

## Forecasts & Commentary

### Satarov Views Danger of 'Excessive' Number of Blocs

*LD2310164295 Moscow ITAR-TASS in English 1243 GMT 23 Oct 95*

[By Tamara Zamyatina]

[FBIS Transcribed Text] Moscow, October 23 (ITAR-TASS) — Out of the 43 election associations which submitted their volumes of at least 200,000 signatures required to continue campaigning for the December 17 elections to the Central Election Commission before the Sunday midnight deadline, no more than six or seven parties are "easily recognisable" by a common Russian voter.

Ask a person at least slightly interested in politics to recall a few of the election alliances, and you will find out, as I did in my impromptu survey, that less than ten is the limit.

For this reason, it appears obvious that, regardless of whether the ballot papers contain 25 or 40 names of election alliances, only a few of those listed will have a real chance of getting seats in the Duma.

Presidential aide Georgiy Satarov, however, believes that the danger of excessive numbers of Duma seat-contesting alliances is not that the voters would be unable to think straight and would mistakenly cast their ballots in favour of "the wrong ones." It is much worse that 15 to 20 little-known alliances might win between one and four percent of all votes, and, failing to win a single seat in the lower house of parliament, leave one-third of the country's voters and their interests fully unrepresented in parliament.

If this turned out to be the case, the 5-percent hurdle would be cleared by no more than two or three, or else even by only one election alliance, Satarov thinks.

But this danger is rather hypothetical. Let us remember that only 225 deputies will be elected to the State Duma by party lists. The other half will be the election winners in the first-past-the-post constituencies. In such constituencies, as a rule, preference is given not to party affiliation but to personalities, depending on their popularity in the region, ability to show themselves to best advantage in televised debates, or, if you will, their charisma.

The 225 personalities elected in this latter way are capable of "diluting" the Duma political spectrum to a degree that will turn the apparently dominant monochrome (red for communists or white-blue-red for democrats) into a kaledoscopic mixture of colours. As a result, the new lower house will probably have to start building alliances from scratch, giving rise to some unprecedented groups in which Yabloko (apple in Russian) will mix with Beer, Cedar with taxes, etc.

The fifty-five days left to go before the elections day will see contests not only between rivalling individuals and groups but also between numerous pollsters with their predictions of triumph for either the Communists or Yabloko or the Skokov-Lebed Congress of Russian Communities. Which of these forecasts will come to materialise will depend fully on the turnout. Only if the younger generation and those slightly older prove to be as active as the disciplined senior citizens and pensioners, most of whom are pro-communist, will the State Duma reflect the entire gamut of society interests. This tentative forecast appears to be the most plausible of them all.

## Fedorov Addresses Chechnya, Bosnia, Election Issues

*MK2410102595 Moscow KURANTY in Russian 17 Oct 95 p 4*

[Boris Fedorov, leader of the "Forward, Russia!" movement, answers voters' questions; place and date not given: "Boris Fedorov: Stop Scaring Us With a Communist Victory. This Is Impossible"]

[FBIS Translated Text] [Question] What do you think about the currency "corridor" and its effect on our economy?

[Fedorov] I have always been and will be against any attempts to have the currency rate fixed in an artificial way. As a result of the government's actions, **our prices are already like in New York, but wages are like in Russia.** We are killing our own exports and encouraging foreign imports, while the rate of inflation remains nearly the highest of all former USSR countries (earlier, our situation was better). Instead of true economic reforms and strict order, we are being offered games with the currency rate.

[Question] Have we attained financial stabilization?

[Fedorov] I recommend that all "stability proclaimers" look into official statistics: They will discover that over the first nine months of this year **inflation was higher** than in the corresponding period last year, no real rise in the economy is taking place, and living standards of most Russian people continue to decline. Go into the nearest shop and look into your purse, and you will see that, in fact, there is no trace of stabilization.

[Question] What is happening with the grain crop? There are a lot of alarming rumors.

[Fedorov] Indeed, after such Agrarian Party leaders as Zaveryukha and Nazarchuk have ruled the agricultural sector for several years, agriculture is increasingly deteriorating, and this year we may have a record-breaking low grain crop (60 to 65 million tonnes). As a result, **Russia will again go cap in hand to the West, cadging credits to purchase grain.** Naturally, under such conditions, Russia is unable to pursue an independent foreign policy and is becoming increasingly dependent on the West. We are already in international bankruptcy but continue to enlarge our foreign debt.

[Question] Will the new budget be adopted?

[Fedorov] In my mind, the draft budget submitted by the government has very slim chances of adoption this year. First, this is because the budget is bad; it is not underpinned by tax reform and solves no problems. For instance, actual budget revenues continue to fall. Second, this is due to the fact that many parties, such as the Zhirinovskiyites and Zyuganovites, do not have the slightest wish to consider the draft budget before the election. In my mind, this is **an irresponsible stance**, and the budget needs to be considered.

[Question] You often criticize the government and promise to solve various problems. Where will you get the money?

[Fedorov] I have repeated many times and will repeat again that our country is probably the richest state in the world, and it is a shame to live in such poverty. We have plenty of sources from which to procure funds. For instance, I have an official document saying that the market value of property in the hands of the presidential Directorate of Affairs amounts to $10 billion. Incidentally, 40,000 people work there. Let us investigate corruption, "Gazprom's" privileges (trillions of rubles), and improve the collection of taxes and customs duties. Or take privatization — property worth trillions of dollars has nearly disappeared before our very eyes. **Is it not time to put things in order?**

[Question] What do you think about events in Chechnya?

[Fedorov] In my opinion, the war has not been stopped, and law and order have not been restored. Russia continues to be humiliated. I believe that it is essential that the lawless spending of funds on Chechnya's restoration be stopped immediately and all civilians without exception be moved away. Talk about paying for the restoration of Dudayev's palace by cutting expenditures on social needs is completely outrageous. Until Dudayev and Basayev are in "Lefortovo" [prison] waiting for trial, there can be no talk about expenditures on restoration. If the authorities are unable to put things in order in the country, they must go, resign. There can be no other way.

[Question] What is your attitude to the bombardment of the Bosnian Serbs?

[Fedorov] The Russian leadership is certainly to be blamed for what is happening in Bosnia and, in general, in the former Yugoslavia. In fact, Russia is an accomplice in the crimes committed, and the recent declarations by the authorities are rather belated. Russia's helplessness in straightening out its own matters has led to the fact that nobody is listening to us any longer. We are bound to assume a very tough stance on Bosnia in the United Nations and to abolish sanctions against Yugoslavia, but not to interfere in these events using purely military means. We cannot afford this now.

[Question] What is your attitude to other parties and movements, and to "nonparty" candidates?

[Fedorov] I treat all parties and movements as organizations representing interests of various groups of the population. In so doing, however, we reserve the right to explain to people who is who and to unmask any hypocrisy. I am against "independent" or "nonparty" candidates, who are so numerous in the State Duma and who fail to assume a principled stance on any issue. I would like to see more deputies sharing common programs. Then we will know who is responsible for what, and the parliament will be much better organized and will give more results.

[Question] We hear very often today that the communists are so strong that they are sure to win the election. What is your opinion?

[Fedorov] I am confident that the overwhelming majority of our citizens would not like to go back to the past — at least for the reason that this is impossible. Moreover, many of the "communists," who have managed to combine the principles of proletarian internationalism, nationalism, and religion, are not true communists. Therefore, the problem is to give people hope, a practical program of actions, rather than to engage in senseless political battles. Only then proper results will be obtained and people will regain their trust in the authorities. As P.A. Stolypin [Russian prime minister in 1906-1911 who started agrarian reform] used to say with respect to the then socialists: **"You need great upheavals. We need a great Russia."** Stop scaring us with a communist victory. This is impossible.

[Question] What is your opinion about the postponement of elections for governors and local self-government bodies?

[Fedorov] In my mind, the present situation with local elections further emphasizes the fact that we do not have a true democracy. There are no arguments that can justify the refusal to elect the Federation Council, governors, and local representative authorities. Actions from the top in this respect smack of dictatorship, whereas voting on having one's own powers extended looks like the usurpation of power.

[Question] You are being increasingly criticized in the press. How can you explain this?

[Fedorov] Obviously, mutual criticism grows as the election draws near, and, in principle, this is normal. It is bad only when this turns into slander and accusations. One has to defend oneself: For instance, I have brought a suit against the head of the Control Directorate in the presidential Administration and against some politicians. I do not think, however, that leaders of the country give direct orders to persecute anyone.

[Question] How is your electoral activity being funded?

[Fedorov] We have no super-rich sponsors or banks, therefore supporting funds are being received from hundreds of sources, in very small amounts. I am happy that recently a group of deputies — Zhirinovskiyites —

have lost a court case to me, and each of them will pay 2 million rubles for their insinuations. The greatest assistance, however, is being rendered by common citizens, transferring 5,000 to 10,000 rubles each to my account and, taking this opportunity, I wish to heartily thank all of them.

### Republican Pavlov Rejects 'Stability' Agenda

*MM2310203495 Moscow PRAVDA-5 in Russian 20-27 Oct 95 p 2*

[Article by Nikolay Pavlov, political secretary of the National Republican Party of Russia, under the "Unedited Column" rubric: "Dangerous 'Stability'"]

[FBIS Translated Text] Not long ago, 100,000 (!) "extremists" marched through Paris. They marched openly, not hiding from the police but, on the contrary, attracting attention to themselves in every way. And they are threatening to rally once more if their demands are not met. But their demands are so "extreme" from our point of view, that you marvel when you look at these French civil servants (they would be called budget-funded workers here). No, they were not being refused their pay for the past three or four months, the price of transportation in France has not gone up threefold in the space of six months, the rate for housing and municipal services has not gone up by 280 percent, and the population's monetary income did not fall by 28 percent either in July or in August.

Seriously, it is high time to talk about the central slogan used by the main parties and movements, and primarily Chernomyrdin's group, which has named itself "Russia Is Our Home" [NDR]. As we know, "stability" has become the slogan. Correspondingly, all the other electoral associations, even if they are also talking about stability but are their political opponents, are already being categorized as "extreme forces," so-called extremists.

This ploy is as old as the hills, and completely in the spirit of our previous history, when every new phase of development (or regression) was marked by a short and pithy slogan. For example, there was "the economy should be economic," then "acceleration," and "the economic accountability of the republics and regions," later on there was "democratization, glasnost, and pluralism," not long ago "sovereignization," and now the main slogan is "stability."

At first sight there is nothing bad, and particularly nothing terrible in this slogan, it can just be talked about for a while, and then forgotten. And yet I maintain that in the present conditions, the slogan "stability" is the most sinister, the most anti-state, and the most anti-Russian slogan in all the years of the troubles starting from 1985.

It is not terrible because it has been added to the arsenal of the head of the government, whose time is not yet over only because of the laziness, passivity, cowardice, and maybe self-interest of the parliamentary opposition. The slogan is terrible because it has also started being supported by those who, it would seem, should by their very essence deny it — that is, almost the entire spectrum of the political opposition. Another big danger inherent in this slogan is that, being widely circulated, it literally kills off the last remaining hopes of overcoming a catastrophe, instilling a deceptive calmness in the people, who are yearning for a normal life. This slogan is like a glass of vodka given to a person who is already drunk in freezing weather, so that he falls asleep more quickly and does not notice the onset of death.

In actual fact, what is happening in the country? Do we really need stability? We need a breakthrough in development, we need a change of course, and in deeds not words. What is needed to achieve this is an enormous effort, a colossal amount of work, and a serious review of the policy being conducted in recent years.

That is why the "stability" slogan can only be supported by real extremists, because only Russophobic extremists can desire stability as regards the extinction of the Russian nation, which is occurring before our very eyes at a rate unprecedented in history.

Chernomyrdin became premier in 1992, and in 1993 mortality in Russia exceeded the birth rate by 80,000 people. In 1994, by another 920,000 people. In the first quarter of 1995, 225,000 more people died than were born, and for the whole year the indicator is predicted to exceed 1 million people!

Even Hitler and Rosenberg did not dream of such a rate of Russia's extinction!

But perhaps nowhere does the "stability" slogan display its extremist essence so vividly as in agriculture. The number of cattle has fallen by 31 percent as compared in 1990, of pigs by 55 percent, of poultry by 35 percent, and of sheep and goats by 68 percent! And if this process of reduction is to be "stabilized," there can no longer be any doubt concerning the most terrible, disastrous predictions of future starvation, and that means the even more rapid extinction of Russia.

Against this backdrop, the discussion of the country's budget in the State Duma last Friday looked ridiculous and even pretty horrifying. Deputies were making stable pre-election speeches to each other (Chernomyrdin quickly left after his pre-election speech-entreaty), although they have known for a long time that no one in the country listened to of will listen to these. But the main appalling, depressing thing was the deputies' desire to look reliable, respectable, and constructive. Before whom? The "stability" slogan has started doing its deadly work!

Only the indefatigable Glazyev, who stipulated in advance his reluctance to "put pressure" on anyone, hinted at the need to change the government. The others put forward "constructive" observations. Kulik, a former minister in the Yeltsin-Silayev government, who started off with a rhetorical question about the reason for the hatred of the peasants, ended quite "constructively," giving assurances of his readiness to work on the draft budget together with the government.

But once again I am troubled by the thoughts of the French "extremist quibblers," who, for a miserable 1.4 percent of wages (future!) were not too lazy to go out onto Bastille square. I think and hear on the radio about our miners, who have not been paid their already earned (!) money for "only" two or three months, sitting underground.

I think about the fact that this year the prediction is that we will have 50,000 murders and around 60,000 suicides, and over 200,000 people will die in accidents, and from poisoning and injuries.

And therefore I state officially that it is not only Chernomyrdin's stability that I do not want, but any extremist, anti-Russian stability like that. And I will conduct an election campaign under the slogan "No to Anti-Russian Extremism!"

### Kulikov: Law Enforcement Agencies Develop Cooperation

*LD2310221595 Moscow ITAR-TASS in English 2004 GMT 23 Oct 95*

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN, October 23 (Itar-Tass) — Interaction and cooperation between law enforcement agencies of CIS countries are of great importance and benefit, Russian Interior Minister Anatoliy Kulikov stated upon arriving here on Monday to attend a CIS Interior Ministers' meeting.

Kulikov declared in favour of further development of cooperation between ex-Soviet republics in law enforcement. It so happens now, he said, that "we fruitfully cooperate with far-of foreign countries and not always do so with ex-Soviet neighbours, although this is utterly essential." He expressed the hope that the ministerial meeting in Yerevan would enable the ministers to find points of contact for more substantive cooperation.

### ITAR-TASS Carries Press Review for 24 Oct

*LD2410081195 Moscow ITAR-TASS in English 0748 GMT 24 Oct 95*

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] Moscow, October 24 (ITAR-TASS) — The participation of President Boris Yeltsin in festivities on the occasion of the 50th U.N. anniversary is the main topic of today's Russian newspapers.

The ROSSIISKAYA GAZETA newspaper carries the full text of Yeltsin's speech at the festive session of the U.N. General Assembly on the occasion of its 50th jubilee. "The United Nations can and must become the main instrument for building new international relations," the daily states. "The U.N. has all appropriate powers for this," it adds.

Under the title "Boris Yeltsin tries to return a great-power image to Russia", the IZVESTIYA newspaper features an article by its special correspondent in New York Valeriy Vyzhutovich.

"The genre of jubilee eulogy did not prevent Boris Yeltsin from making his speech aggressive and muscle-flexing. It even provoked an applause which is not in vogue in this auditorium," the author notes.

Commenting on the meeting of the heads of state and government in New York where the greatest number of delegations gathered throughout the entire history of mankind, the KOMSOMOLSKAYA PRAVDA newspaper writes: "Although eulogies are more appropriate for jubilee occasions, Boris Yeltsin, in contrast, say, to Bill Clinton, sacrificed felicitations for the sake of outlining goals which have not been reached so far.

"These are establishment of peace, removal of estrangement and mistrust among nations and respect for peculiar features of states."

In an interview with ROSSIISKAYA GAZETA entitled "When Clocks Struck Midnight", secretary of the Central Election Commission Aleksandr Veshnyakov comments on the preliminary results of collecting signature lists carried out by election blocs and associations.

According to the secretary, "43 associations and blocs could collect signatures and submit them to the Central Election Commission during the time provided for by law to submit these documents. Submission of documents from one-seat constituencies has been also fully completed".

Veshnyakov noted that "10 candidates were registered, on average, for each constituency in Russia".

Under the title "Moscow Changes Henchmen in Groznyy", IZVESTIYA prints an article, giving reasons why head of the Chechen Government of National Revival Salambek Khadzhiyev resigned and why chairman of the National Accord Committee Umar Avturkhanov will possibly depart for Moscow soon.

"All the reshuffling is likely done in the run-up to the elections," the newspaper writes. "Irritating 'factors' are being taken far from Chechnya. Sure, president of Ichkeria (Eds: Ichkeria is a name given to Chechnya by Dudayev) Dzhokhar Dudayev remains a competitor.

"However, many regard him as a warmonger. Under these conditions, Doku Zavgayev who went into oblivion four years ago, becomes well-nigh optimum figure for Moscow," the newspaper draws the conclusion.

The ROSSIISKIYE VESTI newspaper reports that 274,700 people are interned in Russian investigation wards and prisons, while these institutions are designed for 173,800 people.

"Over a third of 168 investigation wards and 13 prisons are housed in buildings of the 17th-19th centuries, while 26 of them are utterly unsuitable for operation." The daily cites data contained in a letter by Viktor Ilyukhin, chairman of the State Duma (Russian parliament lower house) Security Committee, to Sergey Filatov, head of the Russian president's office.

The PRAVDA and SOVETSKAYA ROSSIYA newspapers feature an interview by leader of Russian Communists Gennadiy Zyuganov. The communist leader reports that "the Communist Party of the Russian Federation now numbers over 500,000 people, united in 20,000 primary organisations.

"The party publishes 120 newspapers and magazines and has relations with over 150 parties and movements in the world."

### Yeltsin, Clinton Hold News Conference

*LD2410105995 Moscow Russian Public Television First Channel Network in Russian 0531 GMT 24 Oct 95*

[FBIS Translated Text] [Correspondent] The American-Russian summit ended yesterday in Hyde Park near New York. Although many said that the talks would be unsuccessful, Boris Yeltsin and Bill Clinton reached a number of very important agreements at the summit.

We now present the statements the presidents of the two countries made for the media after the talks. You will also hear the answers given by Boris Yeltsin and Bill Clinton to journalists' questions.

[Begin recording] [Clinton in English with superimposed Russian translation] Good afternoon. We do not have a prepared statement, but we will make a short introductory statement, and will then answer a number of questions. This was our eighth summit. This meeting was a good one and a fruitful one, which underlined the stability and the strength in relations between the United States and Russia.

We devoted a large proportion of our time to the question of Bosnia and agreed how to work for peace. We agreed that Russia's participation is important, just as the participation of other members of the Contact Group. As to who is going to play which role in implementing this agreement, we made some progress and agreed that our defense ministers, Mr. Perry and Mr. Grachev, will continue this work in the next few days.

We also discussed a number of other questions and I will briefly mention them. First of all, we agreed that it is necessary to ratify the START-2 treaty. Second we also agreed that in the very near future we will issue a statement on the matter of nuclear safety for the conference which will take place next year. Third, and this is particularly important, we agreed that we will work together to reach a comprehensive treaty on a total ban on nuclear tests. This is the greatest achievement, and this is our success, and I would like to thank President Yeltsin for making this success possible in the coming year, in 1996.

[Yeltsin] Dear ladies and gentlemen. Dear journalists. First of all I should say that when I was coming here for this meeting at the invitation of Bill Clinton, president of the United States, I did not have the degree of optimism which I have now. And all this was because of you. You predicted in all today's papers on the basis of yesterday's speeches at the United Nations that our meeting today was going to be a disaster. Now, not for the first time, I can tell you that it is you who are a disaster. [laughter]

[Clinton] I hope you understood all that correctly. [laughter]

[Yeltsin] This proves that our partnership is too strong, that our partnership is calculated not for one year, not for decades, but for centuries, for ages, that we are friends and we will only tackle jointly the most complex, not only bilateral, but also world problems. How much journalistic brainpower has been expended on inventing, making up whatever variations with regard to Bosnia? I won't say that your brains have been useless. You have helped us too, of course, and we are grateful to all of you for this since in looking for options we have also used your apparently very improbable proposals.

Bill said that we reached agreement on Bosnia, that we reached agreement on nuclear disarmament, and that we also reached agreement on a number of other issues facing the whole world today, not only our two countries. I would like to add, because he forgot to mention it, that we also reached agreement on flank operations, on flank restrictions of conventional weapons. And I am grateful to him for supporting Russia on this issue. This is my introductory statement. I would like once again to thank personally my friend Bill Clinton for choosing such a wonderful place for the meeting. Look around, look what you have behind your backs, look. This is a delight of the earth, a delight of the planet. And the Roosevelt museum, and the employees who are working here. I bow down to them and tell them: Esteemed citizens, esteemed employees of this museum, a deep bow to you for keeping this museum and preserving this personality, this legendary personality which belongs to the world and not only to the United States. Thank you. We will now answer the questions.

[Correspondent in English, with Russian translation] A question to president Yeltsin. Are you willing to participate in Bosnia under the control and leadership of the NATO and the United States?

[Clinton] We agreed that it is important for Russia to participate in this agreement. We discussed a number of specific issues and obviously we agreed that our defense ministers will continue discussing the questions which are already complicated enough to make our work here difficult. So we will not talk about it here.

[Correspondent] Boris Nikolayevich, you have said that the Russian-U.S. partnership has not only survived but strengthened. Does this mean that our countries will be guarantors of the fact that the world will enter the next century practically without wars and without violence?

[Yeltsin] The conviction of the two leading presidents is going from strength to strength. So, our conviction that we chose not to have any disagreements is also going from strength to strength. This means that our conviction that the future will be more peaceful, either without war or at least without military operations, is also going from strength to strength. [as heard].

[Correspondent] Have you agreed on the possibility of Russian troops taking part in Bosnia in the implementation of this agreement under the aegis of NATO, under the command of NATO? And also, taking into account difficulties which have emerged in connection with this question and in connection with the involvement of other sides in this conflict, taking into account all these complicated factors, I would like to know how this could be implemented, if you of course reached an agreement on that?

[Yeltsin] We agreed today that the Russian armed forces will take part in these operations. However, it is not up to the president but up to the military to decide in what way.

[Correspondent] What is your general opinion of today's talks?

[Yeltsin] I have already said that this meeting was expected to be very difficult, that a very difficult discussion was expected because problems are very complex. Prior to my visit to New York I visited Paris, met with Jacques Chirac, and talked on the phone with Helmut Kohl and other leaders. And President Bill Clinton was also involved in active contacts with those leaders. We carried out a great deal of preparatory work. Therefore, forecasts which really existed in the whole world that our meeting today would fail... [changes thought] ...on the contrary, today's meeting has turned out to be the friendliest, the smoothest, and the most readily understandable by each other, and it can also be easily understood by the entire world public. We clearly and firmly expressed our own positions and determined our common position. This is the main thing. I believe that meetings like our very brief meeting today — and this is not an official visit, this is just a brief working visit — such meetings should be held as often as possible because this working meeting is worth hundreds of days, meetings on such major problems which concern peace in our planet.

[Clinton] I would also like to dwell on this question. Speaking directly to the Russian people, I can say that the United States and Russia have established an important, direct partnership with one another. This partnership is based on a mutual commitment to democracy and mutual respect, a commitment to the progress and the prosperity of the Russian people, and primarily, ultimately, in the economic field. And most important, this is our work so that the 21st century should become an age of peace, friendship, and prosperity for all. This is precisely that great truth against the backdrop of which we must examine all the remaining issues. This is why we have been able to make such truly remarkable success on nuclear issues. It is quite obvious, I can now say that each of our peoples, each of our countries has a different history, different aims and aspirations, even fears and apprehensions. All of this is quite natural for any relationship, whether it is, say, a marriage or a business relationship, or, of course, this is natural for relations between countries. The main thing is to remember the great truth about which I have spoken, and that is the welfare of our peoples. The main thing is not to forget that we have common aims and common tasks, and there are, naturally, a number of issues which we couldn't resolve straight away, and so we thought that it would be useful for our military leaders to take up these issues. This very week, yes, this week, our military leaders will discuss these issues. So I would like to stress the following — the more I try now to tell you about this, the more complicated the resolution of the issue in question becomes. The main thing is to establish peace in Bosnia. If we achieve this, then we will achieve our common aims. This is our common task, our common responsibility.

[Yeltsin] I would like to add to this that you are underestimating the presidents of two such great powers. Maybe it wouldn't enter your heads how to resolve this problem, but it has entered ours. [end recording]

### Russian Forces To Engage in Bosnian Peacekeeping

*LD2310204095 Moscow ITAR-TASS World Service in Russian 2012 GMT 23 Oct 95*

[FBIS Translated Text] Hyde Park, New York, 23 Oct (ITAR-TASS) — Today Russian President Boris Yeltsin and U.S. President Bill Clinton reached agreement today on Bosnia and Herzegovina during the talks that were held at the museum house of former U.S. President Franklin Delano Roosevelt. The Russian and American leaders announced this at a news conference, which is now under way.

"Today we agreed that Russian Armed Forces would take part in these operations. It is up to the military to decide how," the Russian president stated, answering the question on whether an agreement was reached on Russian forces' participation in peacekeeping operations under the aegis of NATO.

### Grachev, Perry To Consult on Agreement

*LD2310210095 Moscow ITAR-TASS World Service in Russian 2028 GMT 23 Oct 95*

[FBIS Translated Text] Hyde Park, New York State, 23 Oct (ITAR-TASS) — Today Russian President Boris Yeltsin and U.S. President Bill Clinton reached agreement today on Bosnia and Herzegovina during the talks that were held at the museum house of former U.S. President Franklin Delano Roosevelt. The Russian and American leaders announced this at a meeting with the press, which is now under way.

"Today we agreed that Russian Armed Forces would take part in these operations. It is up to the military to decide how," the Russian president stated, answering the question on whether an agreement was reached on Russian forces' participation in peacekeeping operations under the aegis of NATO.

For his part President Clinton stated that he and President Yeltsin reached "full agreement" on ways of achieving peace in Bosnia and Herzegovina. He noted that some progress had been achieved on the specific roles the two countries would play in this process. U.S. Secretary of Defense William Perry and Russian Defense Minister Pavel Grachev were instructed to hold working consultations on the most complex aspects of the agreement that had been reached. The work will start this week.

### Yeltsin, Clinton To Seek Total Nuclear Test Ban

*LD2310205295 Moscow ITAR-TASS in English 2046 GMT 23 Oct 95*

[FBIS Transcribed Text] HYDE PARK, New York, October 23 (Itar-Tass) — Russian President Boris Yeltsin and U.S. President Bill Clinton have reached agreement to cooperate in seeking a total ban on nuclear weapons tests already next year.

"We agreed that we would work together to succeed in getting a zero yield comprehensive nuclear test ban treaty next year. It is a major step and it dramatically increases the chances of our success for a sweeping comprehensive test ban treaty in 1996," Clinton told reporters after the meeting.

### Yeltsin: Summit With Clinton 'To Plan Peace'

*LD2310181695 Moscow ITAR-TASS in English 1758 GMT 23 Oct 95*

[FBIS Transcribed Text] HYDE PARK, New York, October 23 (ITAR-TASS) — Russian President Boris Yeltsin and U.S. President Bill Clinton on Monday opened a summit at a picturesque mansion that was home to former President Franklin D. Roosevelt.

Before the talks, the two presidents took a stroll in the park. "We are here to plan peace," Yeltsin said commenting on Clinton's remark that this very place was used by Roosevelt and British Prime Minister Winston Churchill to mastermind military operations during World War II.

"In a place like this we will be able to solve all problems," the Russian president added.

### Agreement Reached on CFE Flank Restrictions

*LD2310214795 Moscow ITAR-TASS in English 2137 GMT 23 Oct 95*

[FBIS Transcribed Text] HYDE PARK, New York, October 24 (ITAR-TASS) — "Our partnership is strong and is intended not just for one year or decades but for centuries. We are friends and we shall tackle the most complex problems, both bilateral and world ones, only through joint efforts," Russian President Boris Yeltsin told journalists here on Monday in an estimate of the state of Russian-U.S. relations.

Touching upon the problems discussed during the talks with President Bill Clinton, Yeltsin said "agreement has been reached on flank restrictions under the Conventional Forces in Europe [CFE] Treaty." "We have also agreed on a host of other issues facing the entire world, not just our two countries," Yeltsin emphasised when speaking about the results of the talks and, in particular, about decisions on such problems as the Bosnia peace process and ratification of START-2 Treaty.

### Semenov Wants Restrictions Reconsidered

*LD2310192795 Moscow ITAR-TASS in English 1856 GMT 23 Oct 95*

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, October 23 (ITAR-TASS) — The southern flank of Russia is in need of concrete changes concerning flank restrictions stipulated in the Conventional Forces in Europe (CFE) Treaty.

"Those of the restrictions, which apply to Russia under the CFE Treaty, are fettering to us," Colonel-General Vladimir Semenov, commander of Russia's land forces, told ITAR-TASS on Monday. Those restrictions affect and infringe upon Russia's interests, he said.

Semenov believes that the numerical strength of the group of Russian troops in the North Caucasus is sufficient to ensure the safety of Russia's southern flank, but it experiences a shortage of armour and artillery systems. This is brought about by restrictions stipulated by the CFE Treaty, which was signed on November 19, 1990, when two military-political systems (the Warsaw Treaty Organisation and the North-Atlantic Bloc) stood opposite each other. Individual provisions of the CFE Treaty have become outdated and have entered into conflict with the present-day geopolitical and military realities, Semenov said.

As of January 1, 1996, the strength of Russia's Armed Forces is expected to be 1.7 million, with 440,000 men serving with land forces, General Semenov said, expressing hope that following the spring-time draft campaign, the Armed Forces manning status would reach 8000 [figure as received] per cent as against slightly more than 60 per cent at present.

### Yeltsin Meets With South Africa's Mandela

*LD2310164995 Moscow ITAR-TASS World Service in Russian 1413 GMT 23 Oct 95*

[FBIS Translated Text] New York, 23 Oct (ITAR-TASS) — A meeting was held between Russian President Boris Yeltsin and South African President Nelson Mandela in the consulate general of the Russian Federation in New York.

Before the meeting Sergey Medvedev, the Russian president's press secretary, told journalists that "the president's meeting with Nelson Mandela is both our Russian duty and a personal one, because there was an agreement on a meeting in Moscow," but then Boris Nikolayevich took ill. According to him a good opportunity for "repaying this debt" appeared here, in New York.

### Yeltsin Returns From New York

*LD2410101295 Moscow ITAR-TASS in English 1002 GMT 24 Oct 95*

[FBIS Transcribed Text] MOSCOW Oct 24 (ITAR-TASS) — President Boris Yeltsin returned to Moscow on Tuesday from New York where he participated in the celebrations devoted to the 50th anniversary of the United Nations and held talks with U.S. President Bill Clinton.

### Columnist Favors Nonaggression Pact With U.S.

*MK2410103095 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 71, 15-22 Oct 95 p 5*

[Commentary by Sergey Solodovnikov, leading research fellow of the Moscow State Institute of International Relations of the Russian Federation Foreign Ministry: "Russia-United States: Partnership or Nonaggression Pact?"]

[FBIS Translated Text] The Yeltsin-Clinton meeting set for 23 October is being prepared without fanfare, at least in Russia. Whereas in the past several months the American President has scored successes in the field of foreign policy, his Russian counterpart cannot boast the same. Furthermore, the list of Clinton's successes is largely an inventory of Yeltsin's failures. The anti-Serb airstrike truce in Bosnia, the definitive decision on NATO's expansion to the East, and the Israeli-Palestinian settlement — passed with no traces of Russian participation — are only part of this list.

Such interaction bears the theoretically elegant but less than pleasant name "zero-sum game," where a gain for one side signifies an automatic loss for the other. The term itself cropped up during a period when documents of the Defense Ministry, the GRU [Main Intelligence Directorate], and the KGB described the United States as the "main enemy," and the main aspiration of these services consisted of vexing this enemy as much as possible.

The string of Russia's latest actions in regard to America impresses one with the continuity of the desire to do nasty things. The activity of the Soskovets team a week before the summit actually boiled down to the old formula: Cuba is our strategic ally, and its debts to us can wait. The nuclear and technical potential of Castro's island will be strengthened with Moscow's assistance, and we shall expect sugar from last year's contracts in the following year.

Cuba is not the only example. Nuclear cooperation with Iran will also be continued, possibly in the same way as missile cooperation with India. The unpleasant questions that Russia in the not so distant past had for Iraq and North Korea will be replaced by positive and pleasant proposals. Russia did not even get around to sending observers to the exercises with NATO under the "Partnership [for Peace Program]" in the area of Hungary's Lake Balaton, thus passing up not only a political, but a purely intelligence advantage.

As we all know, America is now at a crossroads in choosing a strategy in regard to Russia. Washington has become convinced that Russia is more convenient as a competitor and outsider rather than as a partner and member of the world club. This is not because of Moscow's pseudo-imperial line that has been flaunted over the past year. The West would have understood and partially accepted a rational imperial policy where what is bitten off is effectively chewed. A predictable rival is the norm in world politics. Russia does have something to gain and to lose in Crimea and northern Kazakhstan, but it can hardly gain anything useful in Tajikistan, Bosnia, and Cuba. Therefore, Russia's vigorous stirrings there are running up against, and will continue to run up against, opposition in proportion to the severity with which America's national interests are be affected. It seems that the 23 October meeting will see Washington making a choice in regard to Russia in favor of switching to a policy of ignoring it (if possible) and restraining it (if necessary).

The backdrop of events for the summit is the by-now heated level of political clashes connected with the election campaign in Russia. Whereas even Chernomyrdin's moderate and cautious bloc speaks about a threat to Russia from an expanding NATO, the rhetoric of the other movements that aspire to win controlling blocks of deputy seats in the Duma is steeped in frankly anti-American sentiments.

The recurrent criticism aimed at Kozyrev that comes from the president and those around him attests to the fact that not only the period of strategic cooperation (1992-1993) is ending; also ending is the epoch that came to replace it — of "mature," to use the Foreign Ministry's term, partnership (1994-1995), which is remarkable for mature inconsistencies and flailing around.

Kozyrev's miscalculations in all areas of hands-on politics have not shaken his status of an unsinkable minister. Today's sharp dissatisfaction of the Kremlin that puts him on the brink of resignation can only be attributed to a radical change of strategy by the Kremlin itself, and primarily in the American sector that Kozyrev regards as a priority. If Kozyrev's dismissal takes place after the meeting with the American president and before the elections, to come as a beautiful move intended for home consumption, Washington will have graphic proof of Moscow having changed its strategy toward it and the West as a whole.

Any practical understandings and agreements appear unlikely under these conditions. It is possible of course to sign technical protocols on the protection of whales and on fighting computer-game piracy, but that would not change the gloomy backdrop to the meeting.

In the past, when the states switched from partnership to rivalry, they used to sign safety-net nonaggression treaties. This guarded against escalating tensions to an extreme and made it possible to be rivals in conditions of peace. If we are to remain realists, we cannot but agree: A nonaggression agreement as far as vital questions are concerned would be a gauge of success and pragmatic wisdom in the upcoming summit.

## Potential for Improvement in Russian-U.S. Ties Seen

*MM2410101595 Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 pp 1,7*

[Report by Anna Kozyreva: "Russian President Brings Good Weather to the Hudson. Our Special Correspondent Anna Kozyreva Dictated This Report Yesterday From New York"]

[FBIS Translated Text] New York — If you ask New Yorkers whether they know anything about the 50th anniversary of the United Nations, most answer that they have heard nothing about it. Many Americans think that the United States has nothing to do with the United Nations: The United States is a strong and great power, why should it pay money into the budget of an international organization? Bill Clinton began his speech at the UN General Assembly by rejecting that stance. According to him, the United States needs the United Nations to combat the drugs mafia, terrorism, money laundering, and nuclear weapons proliferation.

Russian President Boris Yeltsin was in solidarity with Clinton on the UN role in present conditions.

By the time this issue appears, the Russian president's visit to New York will be over, and he will have had a meeting with the U.S. President, on which, according to political scientists, Russian-U.S. relations for the next few years will depend.

The meeting will take place at Hyde Park, Franklin Roosevelt's estate. It is interesting that Clinton himself suggested that the meeting be held there. The last USSR leader to go there was Nikita Khrushchev. Roosevelt's estate has been undergoing restoration over the past two years and there was no time to complete all the work in time for the visit. So, just as in our country, a last-minute blitz began: Workers were rounded up and they began urgently digging ditches and painting walls.

Boris Yeltsin's fleeting conversation with Fidel Castro generated particular interest. They met as old buddies. That showed more clearly than any number of statements that relations between our two countries will also develop in the future, no matter how anyone in the West might wish the contrary. During another brief encounter Tudjman promised Yeltsin to come to Moscow for talks about the situation in Bosnia. As we can see, not all questions are tackled during official talks. Although, naturally, during the work of the UN General Assembly the Russian president also had official meetings and conversations — With Kuwaiti Amir Jabir, Indian Prime Minister Rao, Brazilian President Cardoso, and RSA President Nelson Mandela. During these meetings questions of bilateral relations were discussed.

Here is another interesting detail: On the day of Boris Yeltsin's arrival in New York a real storm broke out and the option of landing in Washington was being considered when suddenly the weather improved. Is that not a sign that the barometer of our relations will start pointing to "clear" rather than "overcast"?

## Danish Daily Warns West Not To Ignore Russia

*BR2410150595 Copenhagen DET FRI AKTUELT in Danish 23 Oct p 13*

[Report by Jens Ringberg: "The West Does Not Understand Us"]

[FBIS Translated Text] Moscow — The Cold War is over and we will never see it again — that is what we in the West believe. However, if you ask Russian politicians and security policy experts, they talk of the danger of a new Cold War. About new tensions between East and West. And they are not joking.

Their statements tells us that we need to take Russian President Yeltsin seriously when prior to his meeting with President Clinton today he warns against the eastward enlargement of NATO. And that they are not merely hysterical gut reactions when the prospect of the replacement of Russia's foreign minister with a more uncompromising man creates concern in the West.

The people in Moscow describe a Russia that is deeply frustrated about no longer being taken into the reckoning, and certainly not regarded as a world power. A frustration that perhaps — and perhaps not — is shared by the Russian people, but which in any case is prevalent among decisionmakers.

They speak of a Russia which is offended at being kept out of important decisions in connection with the war in the former Yugoslavia. A Russia which is bitterly following NATO's plans for eastward enlargement, which is isolated, but far from resigned. And which is seriously working on plans for a new Russian-led military alliance.

This applies not only to the hawks in Moscow and the surviving Cold War warriors. The same views are also being expressed by representatives of the new reform parties, mixed with a sense of irritation that *the West does not understand Russia.* One example of this is Vladimir P. Averchev, the secretary of the Duma's International Affairs Committee and a member of the Jabloko reform party.

"There is political agreement that an enlargement of NATO would be a bad thing. The Warsaw Pact has been disbanded, but NATO remains unchanged. An organization that was designed to defend Western Europe against a threat from the East is now creeping closer to Russia's borders!" Averchev said. And he has little time for NATO's Partnership for Peace model. There are just two possibilities, he believes: Either NATO is enlarged — and we run the risk of a new Cold War; or both sides must make a really serious effort so that bridges can be built over the existing differences and a new security structure be created.

"The aim is to ensure that the military machines are not directed against each other, but complement each other. In which case NATO membership will not be a decisive issue," Vladimir P. Averchev said.

### Yeltsin's Threat

Russian President Boris Yeltsin has delivered a strong warning to NATO, mostly recently at yesterday's news conference, when he also announced the replacement of his foreign minister. He was the frist to use the term *a cold peace.* And recently he spoke directly of the possibility of creating a new military alliance led by Russia and comprising former Soviet republics.

There is no reason to believe that they will all join a military pact headed by nuclear power Russia as boss. However, Belarus President Aleksandr Lukashenko reacted swiftly with a clear yes — and experts in Moscow are not ruling out the possibility of building a strong alliance with Russia, Belarus, and Ukraine at its core, supplemented by other countries.

Some people are talking about the risk of Russia giving up on the West altogether — though hardly economically — and turning to old friends and enemies like China, Iran, North Korea, and possibly India. One of these people is Viktor A. Kremenyuk, the deputy director of the U.S.-Canada Institute in Moscow. Russian leaders have traditionally shown respect for the institute's analyses.

"Many people feel that Russia should behave more egoistically. People sense that Russia can manage without cooperating with the West. One possibility is far closer cooperation with China, now that all the border disputes between the two countries have been settled. We would like to sell arms to China," Kremenyuk said.

"People in the West may be glad that Russia is finished as a superpower, but the result could be an authoritarian, antidemocratic regime in Moscow. Perhaps the Gulags (the prison camps under Stalin — DET FRI AKTUELT editor's note) will return," he continued.

### Serious Threat

This alarm call is largely intended to bring home the gravity of the situation even to a Danish journalist.

However, the threat of a reaction to the West's conduct can certainly be taken seriously.

"If Russia is as weak as people are saying, why enlarge NATO? That is an anti-Russian move. Ukraine does not want to be the buffer zone between Russia and the West. It wants to ally itself with Russia," the deputy director said.

One Western diplomat in Moscow who follows developments closely said that in his opinion it would be wrong to provoke the Russians by enlarging NATO. The diplomat believes that "the Russians have a monumental inferiority complex."

"The Russians are finding it incredibly difficult to accept that there is only one superpower. They *know* that they cannot halt this development without firing off their nuclear arsenal. However, it is precisely that arsenal which means that we have to take the Russians into account. And it is foolish of us not to do so — there are mistakes on both sides," the diplomat said, adding:

"To a great extent what we are hearing from the Russians are purely formal views. They cannot accept that NATO has survived while the Warsaw Pact is dead. It is hard for them to see Russia cut down to its natural size."

### The Serbs

The Russian Government has been eager to tell the rest of the world that it pepared the ground for the new cease-fire in Bosnia. The background to this is that the war in the former Yugoslavia has created frustrations among the Russian leadership.

People simply do not feel that they are being consulted enough. Certainly not when *NATO* aircraft are sent up. So people are beginning to talk about the long, close friendship between the Russian and Serbian peoples — in contrast to the West's support for the Muslims.

People like Averchev and Kremenyuk can talk for a long time about the centuries of brotherhood between the two peoples. Others believe that it only exists in the realm of political rhetoric.

"I ride the train for four hours every day and do not hear people sitting talking about the Serbs. And these Serbian brothers did not hesitate to use Russian officers as bomb shields," journalist and analyst Aleksandr Golz, from the Russian Army newspaper KRASNAYA ZVEZDA, said.

He was speaking in his capacity as a private citizen. However, his assessment is that — despite everything — there is no new Cold War in the offing. The only real danger is the former Yugoslavia, because it cropped up at a time when the world was characterized by "a strategic vacuum."

"Previously nobody could ignore Russia. Now Moscow can cry out for two weeks without anybody reacting. That is a situation that Russia is not prepared to accept. It is your and our problem," Golz said.

"All the same I do not believe there will be any new Cold War, unless it is triggered off directly by a crisis in Bosnia. Why not? Because nowadays people travel and see other countries. So today there are only a few who can be made to believe that *the enemy* is at the door," the KRASNAYA ZVEZDA reporter said.

### LDPR, SRS Sign Accord Against U.S. 'Expansion'

*LD2310213095 Moscow INTERFAX in English*
*1824 GMT 23 Oct 95*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Oct 23 (INTERFAX) — Russian archnationalist Vladimir Zhirinovskiy said on Monday the aim of an accord he and Serbian extremist Vojislav Seselj signed on Sunday was "to jointly resist the American expansion into the Slav world."

Zhirinovskiy told INTERFAX the document, signed in Belgrade, meant that his Liberal Democratic Party of Russia (LDPR) and Seselj's Serbian Radical Party (SRS) had entered into "a mutual political alliance to ensure the maximally effective defense of the interests of the Russian and Serbian peoples."

One of the first acts of cooperation between the two parties was an appeal by Seselj to the Russian people, whom he urged to vote for the LDPR at December's parliamentary election.

"The victory of the LDPR at the election to the State Duma (lower house of parliament) and Zhirinovskiy victory at the (June 1996) presidential election mean victory for all Slavs and all Christians," Seselj said, calling for efforts "to unify all Slavs to resist the common enemy, both in the South and in the West." This can be achieved only "by force of the national idea, the pan- Slavonic idea and the pan-Russian idea."

### Yeltsin Seen Wanting To 'Coordinate' Foreign Policy

*MM2410102095 Moscow KRASNAYA ZVEZDA*
*in Russian 24 Oct 95 p 3*

[ITAR-TASS report under the general heading "Russian President's Meetings in New York"]

[FBIS Translated Text] At a briefing at UN headquarters, Russian Presidential Press Secretary S. Medvedev, in answer to a question on whether the problem of replacing A. Kozyrev in the post of foreign minister was touched on during the Russian president's talks at UN headquarters, said: "It was not touched on during the talks. But I think the president has formulated quite clearly the tasks that face our foreign policy department first and foremost. At the moment, as of today, neither the minister nor the ministry itself can coordinate the activity of other ministries and ministers, because they are equals among equals. And the president believes it is necessary to bring about a situation where the president himself would coordinate all foreign policy activity."

[Unidentified questioner] President Yeltsin is to meet with President Clinton. What do you expect from this meeting, and that formula is acceptable for Russia as regards participation in the peacekeeping forces in Bosnia?

[Medvedev] This meeting will be remarkable in many respects. It will determine how our relations are to develop in future, because a kind of watershed has arisen: Relations will go either up or down. Boris Nikolayevich hopes for Bill Clinton's understanding. He believes he has found such understanding on matters of principle. And first and foremost he would very much like the American side to correctly understand Russia's arguments concerning the settlement in Bosnia. It is true that we do not want to carry out peacekeeping operations there under NATO command. I think Bill Clinton will correctly understand our position. That does not mean we refuse to conduct peacekeeping operations there. We are prepared to send in a contingent, we are prepared to provide for it, although that will not be cheap. The principle Russia proposes is very simple: All parties interested in establishing peace in that territory can carry out this work in specific territorial sectors assigned to this or that country or group of countries. By which I mean NATO. Overall command is a problem. But if, say, NATO and Russia trust each other, they could do this work in parallel and coordinate their actions. Such a mechanism could be worked out.

**Yeltsin on Kozyrev; Paris, U.S. Trips Viewed**

*MM2310170195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 21 Oct 95 pp 1, 3*

[Article by Yelena Ovcharenko and Nikolay Dolgopolov under the "What People Are Talking and Arguing About Today" rubric: "Yeltsin Is Not Surrendering Kozyrev for the Time Being, Is He?" — first two paragraphs are quotations]

[FBIS Translated Text] "...let us not pressure Kozyrev, let him work.... It is necessary to pick a suitable candidate...." — Boris Yeltsin at a meeting with journalist in the Kremlin, 19 October.

"...Kozyrev lacks someone to look after the ministry's apparatus...and he loses a great deal thereby... I have spoken about strengthening cadres, but this need not apply to the minister — choose a good deputy, and this problem could be solved." Boris Yeltsin at a meeting with journalists just before flying to France, 20 October.

Big-league state politics cannot exist without a whole number of things. In the first place, it needs a minimum amount of consistency. Looking for it in the events and statements of the last two days is not a task for the faint-hearted. Thus Andrey Kozyrev was unexpectedly reassured by the president. The second question is: Is this favor going to last for long? The first question is: Why should this happen all of a sudden?

It has been uncomfortable in human terms to be there during the last two weeks, given that Andrey Vladimirovich's career, instead of having been wound up, has been left in suspension. If the minister had resigned immediately, it would have been a fitting end. That did not happen. And then something else did: A barrage of criticism from journalists then descended on the minister five minutes away from dismissal, criticism which, if it had trickled out during the preceding five years, had mainly done so in insipid droplets.

Only the lazy have failed to cast stones at him. Only the members of the intelligentsia have not rebuked him in public. The president's justified dissatisfaction at the work of the chief of the foreign policy department has turned Andrey Vladimirovich into a punchball, which the fists of the finest examples of the country's journalism have belatedly pounded. The overwhelming majority of whom have for five years assessed our foreign policy in terms not much less benign and unruffled than those voiced by the minister himself during interviews with them. Back then they would quiz the powerful "rising" and untopplable Kozyrev in very muted tones: Why has Russia been sidelined in all regions of the world? Why is the diplomatic service, entrusted to him, in dire straits and falling apart? Why are we all but a bit player during the most important negotiations.

It was unseemly even for the sake of a good news story to try to make up for one's former journalistic "forbearance" by scoring off Kozyrev on the eve of his departure for France and the United States. What would he become for his partners at these talks — a "played out" card? This would scarcely add to our country's prestige.

We hope that the president was guided by this consideration when he publicly endorsed his minister just before the departure for Paris.

You cannot explain Boris Nikolayevich's plain statement that he intends to strengthen the Foreign Ministry leadership by appointing a deputy minister to look after the affairs of the apparatus other than by a desire to cool passions down. But this sphere is, alas, not the only weak point in our diplomacy. We can only hope that the Russian president understands this.

Kozyrev remains "for the time being," but how long will he be there? Until the visits are over? Until the elections, at which the deputy representing Murmansk [Kozyrev] hopes to win a fresh victory. Or for a longer period if Boris Nikolayevich does come, after some hesitation, to share the view of, for example, U.S. Secretary of State Warren Christopher, who, on Thursday, described Andrey Vladimirovich as an "effective foreign minister." The question to ask in passing here is — "effective" for whom?

When speaking about strengthening cadres, the Russian president remarked: "I have promised to deal with this question." This is the only hint of consistency which we have been able to discern in the prevailing confused situation. But let us be frank, this is a small and comforting remark for Andrey Vladimirovich only, but not for those who want the most important decisions of state to be clear and consistent.

But let us now turn to Yeltsin's visits proper. And while previously it was possible at least over there, far away, to take a breather and relax properly when you traversed the oceans, this is not available at all today because we have retreated almost to Stalingrad in our foreign policy. The diplomatic ground conceded must be won back.

Is President Yeltsin up to this? Let us start with the fact that even ex-members of Yeltsin's entourage who are hostile towards him admit with surprise that the chief, you know, is in unexpectedly good physical shape. We would observe, for our own part, that, unlike domestic affairs, where Yeltsin is hog-tied by the hard-line, die-hard opposition, he has much more freedom of movement in the international arena. And he can operate in a more incisive and decisive way.

The choice of France, which is so unprejudiced regarding us and so highly valued in Russia, as the launchpad for the main visit was far from random. Boris Nikolayevich, who is blessed with a good memory, is certainly counting on Jacques Chirac, the new president and old friend. Chirac, as mayor of Paris, received Yeltsin more than once at the highest level back at the time when the latter was in disgrace and Gorbachev was putting the boot into him. While the whole of President Mitterrand's protocol service was racking its brains over how the hand of the harassed Boris Yeltsin could be shaken in the most unobtrusive way, as it were, Monsieur Chirac publicly kissed the refractory Russian on the cheeks. Something of those relations has remained, has not disappeared without trace. And today, when progressive mankind is painfully denouncing the French headed by Chirac for renewing nuclear tests, Russia is in no special hurry to occupy a front-row seat among the denouncers. Who knows, perhaps it is more intelligent to sell our new but already pretty well developed technology for testing nuclear explosions by computer simulation than going in for sharp condemnation? Will we see all the tests come to an end after the head-to-head talks in Rambouillet?

But after the lightning visit to Paris the hour of even more serious and perhaps painful talks will toll in the States.

Formally, the president is going there to celebrate the UN's 50th anniversary.

The Russian president's speech will clearly be subject to revision right up to the last moment. What will it contain? Traditionally, this is a toast befitting the occasion with an outline of still-outstanding questions — what otherwise will the United Nations do in the next fifty years — rather than a roundup of the acute problems that exist. So there is probably no point in expecting any sensations from the rostrum.

President Yeltsin will spend the whole week in the company of his American opposite number, withdrawing for that purpose to Franklin Delano Roosevelt's Hyde Park estate. The hosts' historical allusion is as striking as it is transparent: The creation of a new world order began with such meetings 50 years ago. That is how the United Nations came into being. The presidents will also talk about the configuration of forces on this occasion, asking the question: How effective are institutions such as the United Nations and NATO in the context of non-infringement of the interests of countries and peoples. Given that the Russian leader has repeatedly expressed his concern over the West's attitude toward our country, we would like to believe that he will manage to constrain America's ambitions and force Clinton to employ different arguments than the unfounded claims that it is undesirable for the Russians to conclude the "Iranian deal." Russia's participation in peacemaking operations in Bosnia and the unacceptability for us of North Atlantic command of our troops also have every chance of falling within the ambit of priorities at the talks.

## Institute Director Views NATO Enlargement

*AU2410123995 Bratislava PRAVDA in Slovak 17 Oct 95 pp 1,15*

[Interview with Yevgeniy Kozhokin, director of the Russian Institute for Strategic Studies, by Jan Skoda; place and date not given: "No One Presents a Military Threat To Slovakia"]

[FBIS Translated Text] [Skoda] What are the main bearings in the strategy for the Russian Federation's current foreign policy?

[Kozhokin] These are, undeniably, relations with the countries of the Commonwealth of Independent States (CIS), that is, with our neighbors. New states can be formed very quickly, there may be many governments, but the country — in a certain sense — remains whole. Our neighbors are offended, however, because we consider them to be the "adjacent abroad." Our Western partners even see "imperialist ambitions" in this. We do not have any. The reality is, however, that Ukraine, for example, with which we lived within the framework of one state for 70 years — far longer than with Kazakhstan — is still one and the same state for millions of our people. At the same time, this perception is not unique to politicians, but especially to ordinary people, who cannot imagine that they would be unable to go to Odessa the way they do, for example, to Yaroslavl or Uralskiy. Therefore, relations with these countries have a special significance for us.

[Skoda] Let us say, then, that the people elect the politicians, but they do not formulate real policy...

[Kozhokin] At the moment, there is movement on a political level toward reintegrating the CIS countries. If, however, we were to analyze movement in the turnover of goods [obrat tovarov], then the volume is continuing to decline. Therefore, this involves a complicated process. Political relations between Moscow and Kiev are not easy, although personal relations between the Russians and Ukrainians are very good. The situation between Kazakhstan and Russia is different. Political relations between the governments are very good, they could establish a union together, but, at the same time, we see an unfavorable situation on the lower bureaucratic level when we observe the mass exodus of Russians. More recently this has even speeded up.

[Skoda] Why is this?

[Kozhokin] The Russian population does not think it has any prospects. That is, Kazakhstan is in a far worse economic situation than Russia, regardless of the fact that things are also complicated in our country. Russian children do not even have prospects, because there is a process under way of discharging Russians from key positions in the economy. Today, a Russian essentially cannot be a factory director. The number of Russians holding key posts in society is declining. Such is the reality of life. It is also becoming harder to study in Russian. People are simply thinking about what is to come. Why should they risk their children's future?

[Skoda] We have not discussed relations with the United States, which were always important. Were they not?

[Kozhokin] Relations with Washington were traditionally in first place during the existence of the Soviet Union and they are of very major significance today, especially in dealing with security issues and the issue of enlarging the North Atlantic Pact. However, compared with 1991 and 1992, our relations with the countries of Central and Eastern Europe are of greater significance. This is not associated with the issue of NATO enlargement toward the East. Progress has been made recently in the economic sphere, despite the several-year-long decline in the volume of trade. There is interest in our market and the Visegrad Four countries are very well known in our country, and not only from the point of view of political dynamism. It is necessary to say that economic relations with Hungary in particular are developing very successfully.

[Skoda] There is a debate in our country about where Slovakia is from the point of view of the interests of the West or, alternatively, the Russian Federation. In your opinion, in which sphere of influence are we now?

[Kozhokin] At the moment, Moscow is primarily interested in ensuring that Slovakia is an independent state that would formulate its policy in harmony with its national interests so that it does not have to be in any sphere of influence. It seems to me that the situation in Europe today is such that the small countries have an opportunity not to get into anyone's sphere of influence. This is difficult, but possible. And, all the more so that there is no military threat here — from neither the East nor the West. There is, however, the matter of a new international order. And, if we are to talk about a threat to security, then it comes more from within a country. The most glaring example of this is Yugoslavia, which started to break apart as a consequence of civil war and not because of outside aggression.

[Skoda] What, then, is the biggest danger for Slovakia and for our whole region in general?

[Kozhokin] For everyone in the region of Central and Eastern Europe, including Russia, it is very hard to find balanced interests in matters concerning relations with minorities. Obviously, it is essential to give minorities civil rights, to find a form that is specific for each country. There is no single criterion for this. If someone tries from above to compel a country to observe certain limits, this is sometimes dangerous. For example, it is impossible to grant the minorities cultural autonomy — which is also in a minority's interest — because the next step would be a step toward separatism, which not infrequently triggers a protest from the majority. Organized crime, with everything that it represents — trade in drugs, arms, and so on — is also another threat to the security of our region.

[Skoda] We know Moscow's point of view on NATO's enlargement to include the countries of Central Europe. Do you think that there is a solution, a certain compromise, that would satisfy everyone — Russia, NATO, and the Central European states?

[Kozhokin] There is simply no need to hurry. The situation is not driving us toward this. There is no such threat here requiring that we deal with this issue immediately by entering NATO. At the moment, we can look at other options that would guarantee the security of the territorial units. For example, this could be an option with overlapping guarantees; at the same time, participation in these guarantees would have to be accepted not only by the major, but also the regional powers so that some do not appear in the role of objects, but subjects of international relations. It is necessary to find an option whereby everyone would be the subject of international relations.

[Skoda] In the new concept for European security, Russia is banking on using the Organization for Security and Cooperation in Europe (OSCE), while the West is banking on NATO. In this situation, is it at all possible to knit these two ideas together?

[Kozhokin] NATO does not think that the OSCE should have any control over it. This is one of the main considerations. Recent events in Yugoslavia have demonstrated that it is impossible to implement the use of NATO's potential under UN or OSCE control. If we take all of the UN resolutions concerning a solution to the crisis in the former Yugoslavia, not one of them mentions NATO. If they refer to anything, then it is to regional organizations. It is also written in the Washington agreement of April 1949 on the establishment of NATO that NATO will operate in the North Atlantic region. Where, then, is the territory of the former Yugoslavia? Let us concede, in this situation, that new members joint the pact: My question then is whether Hungary will be willing to send its troops to Yugoslavia? Or, if Islamic fundamentalism now represents one of the new threats to the NATO countries' security, will the Slovaks go to fight in Algeria? At the moment, NATO is working on a concept for united combined operative forces, which will mean in practice forming staff structures that will make it possible to deploy forces virtually anywhere in the world. This is an attempt to create an integrated military force. For what? What is the "global threat" today? Who needs such a reorganization of forces and such colossal machinery?

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## Lukin Comments on Moscow EC Membership PACE Talks

*LD2310163195 Moscow ITAR-TASS in English 1241 GMT 23 Oct 95*

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow, October 23 (ITAR-TASS) — A meeting of the Parliamentary Assembly Commission of the Council of Europe (PACE) on relations with European countries which are not members of the Council of Europe, now in progress in Moscow, will more likely end by adopting a preliminary recommendation to accept Russia to a full EC membership.

This opinion was expressed by Vladimir Lukin, chairman of the Duma (Russian parliament lower house) International Affairs Committee, who heads the Russian parliamentary delegation at the PACE, in an interview with ITAR-TASS here on Monday.

Lukin reported that commission members at today's meeting were interested in the situation in Chechnya. It is clear now, the chairman stressed, that the approach of commission members has considerably changed to this problem.

They understand that the situation is now difficult in Chechnya, and "not everything can be pictured in black and white tones there".

It is the Chechen events that became the reason for suspending the procedure of Russia's admission to the CE last February. The PACE session resumed this procedure only in September.

According to Lukin, commission members were also interested in a schedule for pulling the 14th Russian Army from the Dniester area, a part of Moldavia. Besides, he noted, they want to know whether the majority of deputies in a new duma will oppose Russia's admission to the CE.

The chairman developed an impression that "the West seeks to resolve the problem of admitting Russia to the Council of Europe".

"Not yielding to us in the main spheres, such as NATO expansion, the West, nevertheless, tries 'to sugar the pill', admitting us to such an international organisation as the CE," he stressed.

The final results of the protracted procedure of Russia's admission to the CE will be more likely summed up at the PACE meeting next January, Lukin concluded.

### Moscow Wants Priority Role for Caspian Oil Transport

*LD2310205895 Moscow INTERFAX in English*
*1650 GMT 23 Oct 95*

[FBIS Transcribed Text] MOSCOW, Oct 23 (INTERFAX) — Moscow has not received any official explanations from either the Azerbaijani government or from the international oil consortium concerning the decision to accept two routes for exporting early oil from the southern part of the Caspian Sea - through Russia and through Georgia, a high-ranking Russian diplomat told INTERFAX Monday. The decision was taken at the beginning of October.

He said Moscow did not object to the parallel transportation of early oil on the condition that the Russian pipeline is given priority. He also said that Russia's decision was motivated by reasons of economic expediency.

"Up to Novorossiysk, the Russian oil pipeline is in need of minor repair, estimated at about $60 million. The construction of the Georgian pipeline is still to be completed, which will require an investment of $200 million to $300 million, and will take about 18 months even if the optimal timetable is chosen," said the diplomat.

### Filatov on Iran Ties; Reactors 'Already Delivered'

*LD2410095095 Tehran IRNA in English*
*0831 GMT 24 Oct 95*

[FBIS Transcribed Text] Moscow, Oct. 24, IRNA — The U.S. is exerting its utmost to mar Iran-Russia ties, remarked Russia's presidential chief of staff Sergey Filatov, while evaluating Tehran-Moscow ties as positive and constructive.

Speaking with IRNA here on Monday, he added that his country sees no problem in upgrading relations with the Islamic Republic of Iran and Moscow is also seeking further development in mutual ties.

Regarding the possibility of the Iran-Russia atomic cooperation being discussed during the negotiations of U.S. President Bill Clinton and Russian President Boris Yeltsin, Filatov said Russia still backs the agreement it reached with Iran on this matter, adding that the results of the Yeltsin-Clinton meeting will be known upon the Russian leader's return to Moscow.

Meanwhile, Channel 1 of the Moscow television network, in reading a report from New York, referred to Russia's firm decision to construct the Bushehr power plant in southern Iran and stated that despite U.S. attempts to bar Tehran-Moscow atomic cooperation, Russia is still steadfast in fulfilling its obligations with the Islamic republic.

According to certain reports, atomic reactors have already been delivered to Iran.

### Kulikov 'Unaware' of Giorgadze's Whereabouts

*LD2310220795 Moscow ITAR-TASS in English*
*1920 GMT 23 Oct 95*

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN, October 23 (ITAR-TASS) — Russian Interior Minister Anatoliy Kulikov said on Monday that Russian law enforcement bodies are unaware of whereabouts of Igor Giorgadze, former Georgian Security Chief, accused of masterminding an assassination attempt against Eduard Shevardnadze on August 29.

Georgia insists Giorgadze is in Moscow and demands the Russian side to detain him and extradite.

Meeting the demand on Giorgadze's extradition "we will act in conformity with accords signed (between our countries)," Kulikov, who arrived to attend a meeting of CIS interior ministers, told reporters. "Now we are settling this issue with the prosecutor's office," he added.

However, according to the minister, Russian law enforcement bodies neither maintain contact with Giorgadze nor even are aware of his whereabouts.

Last weekend, Shevardnadze said that until Giorgadze is not put into custody and brought to Georgia he would not be able to leave Georgia to attend a U.N. jubilee session in the United States.

### 'Veil of Secrecy' Over Kazakh-DPRK Weapons Train

*LD2410115495 Moscow ITAR-TASS in English*
*1113 GMT 24 Oct 95*

[By Larisa Beloyvan and Evgeniya Lents]

[FBIS Transcribed Text] Vladivostok, October 24 (ITAR-TASS) — Customs officials in the Russian Far East, who broke the news about seizing a trainload of Kazakh weapons bound for North Korea last Friday, raised a veil of secrecy over the incident and refused to provide any further details.

The Far Eastern customs department told TASS Tuesday it would give no comments "until all circumstances of the case are fully clarified".

In Moscow a spokesman of the State Customs committee told TASS he had no information on what had happended on the Russian-Korean border.

A spokesman of the Kazakh embassy in Russia said the embassy had not received any official information about the incident, but at the same time doubted the possibility that weapons from his country could have been illegally dispatched for North Korea via the Russian territory.

On Friday, Vitaliy Kirsanov, deputy head of the Far Eastern customs department, told TASS that a trainload of military equipment and weapons in transit from Kazakhstan to North Korea was stopped by his officers at the Kraskino checkpoint on the border with North Korea.

The train was "crammed with various weapons" from anti-aircraft guns and cannons to cartridges and large-caliber shells, he said adding that there were no documents allowing to take the dangerous cargo out.

"A special task unit, including customs officers and border guards, left for the checkpoint to investigate the inadequate situation", Kirsanov said.

### Russian, Estonian Groups Discuss Border Issues

*LD2310224795 Moscow ITAR-TASS in English 2039 GMT 23 Oct 95*

[By Boris Vlasov]

[FBIS Transcribed Text] PSKOV, October 23 (ITAR-TASS) — The first day of negotiations between the expert groups of Russia and Estonia on border issues ended in Pskov.

The Russian delegation is led by Vasiliy Svirin, the Russian Foreign Ministry's Ambassador at large, and the Estonian one is headed by Raul Maelk, Deputy Chancellor of the Estonian Foreign Ministry.

The talks are aimed at specifying the line of the Russian-Estonian State border in overland and lake sections. It was not planned to examine territorial claims at the talks, and they will not be discussed.

Maelk said that fruitful work to specify the border line is in progress at the talks. Svirin pointed out, for his part, that the delegations of Russia and Estonia have prepared for the work quite well and that the expert groups have got enough specific proposals and succeed in finding mutually acceptable solutions during discussions.

The talks are to be continued on October 24.

## Political Issues

### Chechen Leader Khadzhiyev Offered Cabinet Post

*LD2310185495 Moscow INTERFAX in English*
*1650 GMT 23 Oct 95*

[FBIS Transcribed Text] GROZNYY, Oct 23 (INTERFAX) — Salambek Khadzhiyev, who tendered his resignation earlier today as prime minister of Chechnya's Government of National Revival, has been invited to lead the Industrial Committee in the Russian Cabinet, the chief Russian negotiator in Groznyy, Russian Nationalities and Regional Policies Minister Vyacheslav Mikhaylov told a session of the Chechen government on Monday.

Khadzhiyev served as Minister of the Petrochemical Industry under Soviet Prime Minister Valentin Pavlov.

A source quoted Khadzhiyev as saying at the session that Doku Zavgayev, former speaker of the Supreme Soviet of the Chechen-Ingush autonomous republic, would be his likely successor.

The source also said that at the session a message from Prime Minister Viktor Chernomyrdin was read. Chernomyrdin thanked Khadzhiyev for courage and strenuous efforts to restore the Chechen economy.

### Lebed Urges 'National Reconciliation'

*BR2310152995 Madrid EL PAIS in Spanish*
*22 Oct 95 p 4*

[Report on interview with Russian General Aleksandr Lebed by Pilar Bonet in Tula; date not given: "Aleksandr Lebed, the Most Dangerous Rival"]

[FBIS Translated Text] Tula — General Aleksandr Lebed, Boris Yeltsin's most dangerous rival for Russia's presidency, is prepared to "give anybody assurances" that, if he attains power, there will be no settling of scores or search for those responsible for his country's crisis, according to what he told in an interview with this correspondent, who accompanied the charismatic veteran of Afghanistan and other military conflicts on a day of election campaigning in the city of Tula (200 km south of Moscow) — the ancient birthplace of Russia's weapons and samovars.

"I am opposed to the cannibals who wish to wreck everything. We must seek possibilities, not blame," asserted Lebed, who insisted in his booming voice that "making mincemeat" of Mikhail Gorbachev or current Russian President Boris Yeltsin would solve no problems. "We must set aside emotions; we must be cold and calculating and think, think," he tersely advised.

The 45-year-old general — a real force of nature because of his heavy build and the vehemence with which he expresses himself — urges common sense and national "reconciliation," inspired, according to what he vaguely asserts, by the Spanish post-Francoist model. Russia, he says, must begin by "establishing basic order." "As a professional military man with experience in conflicts, I am categorically opposed to war," asserted Lebed, who is also prepared to guarantee "the coming to power of a government of national thinking."

The general, who rarely smiles, is making his debut as a politician with journeys, rallies, and lectures. "To the art of command, which is what is most characteristic of a general, must be added an amount of knowledge of politics, sociology, and economics," he asserted. In the Soviet era, he could not cope with Karl Marx' "Das Kapital," but he now claims to devote two hours a day to his "varied" preparatory reading. "My brain is constructed in such a way that I must first put into it materials from various sources in order to make a vinaigrette out of them, and then order them," he joked.

Tula, where Lebed commanded a paratrooper division, is the constituency in which the officer is aiming at a seat in the State Duma (lower house of parliament) as a candidate by the majority system, as well as being the number two on the nationwide list of the Congress of Russian Communities (KRO), which is competing by the proportional system. The general corrects those who try to classify him as a "left-winger," although he declares himself prepared to "stand side by side with the Communists, the Agrarian Party and the Socialists." He refuses even to hear of the "radical democrats."

Lenin inspires "considerable respect" on Lebed's part, for being one of those people capable of "setting themselves a task and carrying it out to the end." The founder of the Soviet state, the House of Romanov, and the Orthodox Church are part of his own history and his own Russian identity, "and I am not ashamed of anything or renounce anything," he stated.

The general did not mince his words in describing Russian head of government Viktor Chernomyrdin as "just a scoundrel" who "has lined his pockets at the expense of our tears and hardships," who has constructed "the most luxurious offices in Europe" for the Russian gas monopoly enterprise, Gasprom, and who is responsible for the widening gulf between the privileged of the "nomenklatura's capitalism" and the dispossessed. The latter received their share in the national wealth in the form of a privatization bond which was not enough to buy even a "lousy iron."

Gen. Lebed, who left the Armed Forces and the command of the 14th Army in the Transdniester (Moldova) area last summer, has summarized his ideas in the book "Za Derzhavu Obidno" ("The State Grieves Me"); a reflection on the end of the Soviet empire in which the Army is viewed as a victim of the "cowardly" politicians, who did not put into writing the orders for the Armed Forces to pull their chestnuts out of the fire for them in Sumgait (Azerbaijan) in 1988, in Tbilisi in 1989, in Baku in 1990, and in Transdniester in 1992. When there were casualties, the politicians made themselves scarce, asserted Lebed, who was sent to all these scenes of bloodshed.

"They have systematically plunged the Army into the mire since 1988," stressed Lebed, who in August 1991 witnessed how current Defense Minister Pavel Grachev, with whom he shared military academy and the Afghan adventure, "prostituted himself" by playing about between Yeltsin and the Soviet putshists. Lebed regards the officers recruited in order to fire on the Russian parliament 4 October 1993 as "victims" of a national tragedy. Lebed suffered the disintegration of the USSR as a heavy blow. "Nobody protested, nobody took to the hills," when "three guys" (the presidents of Belarus, Ukraine, and Russia) "got drunk and dissolved the USSR." Lebed seems less inclined than other Russian nationalists to seek external enemies, and concentrates on his own fellow-countrymen, "capable of destroying and regretting it the next day."

The general exhorts the Russians to unite for national rebuilding. "Is it not time for us to awake and use these elections in order to say quite clearly that we are a single people, that we are the Russian people, and that it is impossible not to take us into account?" "Irreversible processes have occurred," he stressed: "It is not necessary to unite anybody; it is only necessary to be strong again, and when Russia is strong, it will find a mass of allies." "We must cease to expect financial assistance from abroad and start living in our country with our intelligence and our laws. The Duma, the Council of the Federation (the upper house), the Constitutional Court, and our vaunted multiparty system; all that does not work or will work. They are a democratic facade based on a flawed Constitution, custom-made for one person in two weeks. This Constitution does not protect us, and this state is an enemy which has made us all equal by cleaning out our pockets," stated Lebed, who is somewhat skeptical about the possibility of there being elections. Yeltsin, he says, is afraid to answer for "the disintegration of the USSR, the shelling of the White House, the war in Chechnya, and the wild chaos of privatization."

## Kuntsevich Calls Smuggling Charges 'Absurd'

*LD2310173595 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1530 GMT 23 Oct 95*

[FBIS Translated Text] "It is an absolutely absurd accusation," Academician Anatoliy Kuntsevich told the Echo Moskvyy radio station, commenting on the charges of smuggling toxic substances laid against him by the Russian Federal Security Service.

"It is impossible to take toxic substances out of Russia because they are under cast-iron state control," Kuntsevich said. Moreover, the charges relate to domestic ordinary compounds that are sold all over the world. The Federal Security Service staff do not want to check the way that chemical substances purchased for work are guarded or to verify the inventories of substances kept."

According to Kuntsevich, "the accusation is a political settling of accounts, but it is hard to say which political forces are behind it."

Kuntsevich thinks that the persecution began in 1992 and is connected with the initiative to carry out destruction of chemical weapons under international convention, at the expense of the western states. The West, Kuntsevich said, was ready to put up 15 trillion rubles for this.

"It is no accident that this accusation was made the very night that the U.S. Senate was discussing the ratification of the convention," Kuntsevich thinks. "The aim is to make Russia the scapegoat for the collapse of the convention and put Russia in a position of isolation."

## Petrov Comments on Accusation

*LD2310162695 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1320 GMT 23 Oct 95*

[FBIS Translated Text] Toxic substances or semifinished products can not be taken from Defense Ministry repositories. This is 100 percent ruled out, Stanislav Petrov, commander of Radiation, Chemical and Biological Defense of the Russian Federation Defense Ministry told Moscow Echo radio while commenting on accusations of smuggling toxic substances made against Russian Academy of Science academician Anatoliy Kuntsevich, advisor to the UN secretary general on chemical weapons, and former chairman of the Committee on Convention Problems of Chemical and Biological Weapons under the Russian Federation president.

Petrov contends that for a top-class scientist like Anatoliy Kuntsevich, it would not be difficult to manufacture such substances in laboratory conditions, but it is impossible to prepare 800 kg of toxic substances in a home laboratory.

Petrov is convinced that if the accusations made against Kuntsevich are justified, then he engaged in such activities when holding the post of chairman of the committee.

### Duma Deputies Debate Over Course of Foreign Policy

*MK2110083095 Moscow KOMMERSANT-DAILY in Russian 17 Oct 95 p 3*

[Article by Natalya Arkhangelskaya and Natalya Kalashnikova: "Elections in Russia and Foreign Policy. To Be a Great Power Is a Costly Pleasure"]

[FBIS Translated Text] The verbal abuse aimed at the government's economic policy seems to have palled as [State Duma] deputies switch over to foreign policy problems. It is no wonder that it is the "elections and foreign policy" problem that has come to interest the Moscow Carnegie Center: As 17 December draws near, one can hear any number of new versions of Russia's foreign policy course. However, in the course of yesterday's discussion at the center, representatives of various political parties displayed a commonality of judgments on the most painful problems of Russian foreign policy.

Debates on Russian foreign policy inside the State Duma mainly follow two trends. They either criticize the Foreign Ministry head (for ex-Yugoslavia and NATO) and insist that he resign, or they insist not only on replacing the minister but on altering the policy as well. Andrey Kozyrev summed up the prevailing situation in the Sunday [15 October] "Itogi" [TV program] as follows: the minister is no problem. The problem is the foreign policy course. If it changes, all of us, citizens of Russia, will pay dearly for this." It would be reasonable to interpret Kozyrev's "we will pay" in two ways. Firstly, changing the course — the minister's opponents mainly imply toughening it — is fraught with the "cold peace" Boris Yeltsin warned the world community against (having in mind the consequences of NATO's eastward expansion). An analysis of the obvious political and economic costs in the event of a "cooling" is a separate subject. The issue is — and this is the second thing — can Russia afford to change its foreign policy? In other words, how much would this cost Moscow in purely material terms? Would Russia be able to shoulder the costs of a military-political standoff if it stops, in the phrase of an LDPR [Liberal Democratic Party of Russia] representative used in the course of yesterday's discussion, "dawdling in the dressing room of NATO's bathhouse and takes along as its allies — in addition to the ex-USSR republics — Serbia, Bulgaria, Cyprus, Macedonia, Iran, Iraq, Libya, Syria, Algeria, India, North Korea, Laos, Kampuchea, Angola, Ethiopia, and Cuba?" Can [Russia] afford this friendship?

Politicians tried to look at the problem in a more specific way: they spoke about Russia's role in the CIS. The discussion did not fail to produce a sensation. Reminding the audience about the circulating rumors of a possible postponement of the presidential election in the event of a speedy unification of Russia and Belarus, a representative of the CPRF [Communist Party of the Russian Federation] faction, Gennadiy Seleznev, noted that should it be possible to get Ukraine to join these two Slavic republics, "the population could regard with understanding the election's postponement"! A union of the three Slavic peoples, which they were hoping for in Moscow just a couple of years ago, is hardly possible for a number of reasons. In the meantime, the very approach to the problem of the communists, who seem to be leading in all popularity ratings, is curious: soberly assessing the chances of their leader in the presidential race, they are, perhaps, ready to give Yeltsin support in such a delicate matter as extending his powers in exchange for a union of the Slavic states. They could describe the compromise to their electorate as the first step toward reinstating the USSR — much in line with the CPRF program.

Generally speaking, the idea for a confederative union with Belarus does not appear to the Duma to be a piece of political nonsense. Political scientist Aleksey Arbatov ("Yabloko") is convinced that, for example, Turkmenistan and Belarus can coexist within the framework of one state only under a totalitarian regime. But close links between the Slavic republics appear to him realistic — but purely economic links, without any military integration. Nor does former Deputy Premier Aleksandr Shokhin (NDR [Russia Is Our Home]) rule out the possibility of an economic union with the Slavic brothers. What is more, in his words, it would be unpardonable today to pass up the opportunity of uniting with Belarus (as was the case in 1994). As for Kazakhstan and Ukraine, he believes it would be useful to watch closely how things progress between Moscow and Minsk. Saying this, Mr. Shokhin complained about the West's aggressive behavior in the post-Soviet space as it ably penetrates the technological links of the crumbling economic ties between the republics. Generally, those gathered were unanimous in assessing the West's behavior toward Russia, describing it as provocative. They recalled everything: the ostentatious — in order to spite Russia — admission of Ukraine to the Council of Europe, NATO expansion plans, and ignoring Russia in the Bosnian conflict. Mr. Arbatov predicted a further rolling back of relations between Russia and the United States and suggested that the key emphasis be laid on links with Europe, first and foremost with Eastern Europe. Somehow or other, the ideology of the post-December foreign policy course, old or revamped, is connected with the rude reality: diplomacy is costly today. Good diplomacy costs even more. As for the times of "friendship forever," they resulted in big and unreturnable debts. This is perhaps what future lawmakers will have to attend to regardless of their party religions.

### New Prosecutor General Skuratov Profiled

*LD2410113295 Moscow ITAR-TASS in English 1102 GMT 24 Oct 95*

[FBIS Transcribed Text] Moscow October 24 (ITAR-TASS) — After a 20-month break, Russia finally got a fully-fledged Prosecutor General as the Federation Council approved Yuriy Skuratov in the position on Tuesday.

The upper house voted unanimously for Skuratov with 139 votes for, none against and one abstention.

Skuratov, named for the post by President Boris Yeltsin, was born in 1952 in the city of Ulan Ude in Transbaykalia. In 1973 he graduated from the Sverdlovsk Law institute in the Urals. He is a doctor of law and professor. He has been heading of late the Insitute of Lawfulness and Order at the office of the prosecutor general and is a member of the collegium (leadership) of the office.

Skuratov replaced acting prosecutor general Aleksey Ilyushenko who resigned after his relatives were accused of unlawful financial activities.

Ilyushenko, in his turn, replaced Aleksey Kazannik in February 1994 who resigned after the organisers of the abortive Soviet 1991 coup and of the October 1993 opposition revolt were amnestied by the State Duma and freed.

Ilyushenko was twice nominated for parliamentary approval by President Yeltsin, but was turned down.

### Report Details Baturin's National Security Briefing

*MK2410095495 Moscow SEGODNYA in Russian 14 Oct 95 p 2*

[Report by Vladimir Abarinov: "Yuriy Baturin: There Are More Internal Threats to Russia Than External Threats"]

[FBIS Translated Text] Russian Federation presidential national security aide Yuriy Baturin considers the next several months "an extremely responsible period in Russian history." In the course of a meeting with journalists in the Moscow office of RIA NOVOSTI [date not given], he recognized that Russia faces more internal political threats than external. The main one, in his mind, is the threat of political extremism.

Mr. Baturin detailed his views of a national security concept. In the words of the presidential aide, the term "concept" as applied to the numerous drafts on this subject is "conventional to a certain extent." Mr. Baturin believes that this definition implies "the understanding of a country's centuries-old interests, a sort of philosophy of common cause." Owing to the lack of national consensus at the present time, it does not appear possible to develop a long-term program. Nevertheless, Mr. Baturin announced, work is in progress. The president, he said, "very attentively" analyzes "proposals put forward by the Security Council and other drafters."

Yuriy Baturin named Russia's defense capability and the Russian Army's fighting efficiency as one of the undisputed priorities of any doctrine. He agrees that the country's defense should not suffer from inadequate funding, but he believes that one should first and foremost answer the question: What numerical strength does the army need? Numbers, Mr. Baturin thinks, can be restored in a brief span of time but it would take decades to restore unique research and development facilities should they become lost. Thus, from the point of view of the Kremlin strategist, "correct funding" of research and development efforts is essential.

Mr. Baturin regards organized crime as the thorniest problem of national security. According to his information, whereas 575 criminal groups were active in Russia in 1990, now they run into thousands and total more than 25,000 active participants controlling more than 40,000 enterprises of all forms of ownership. Investigation cases connected with organized crime often fall apart in courts of law owing both to intimidation of witnesses and victims and to corrupt officials. Yuriy Baturin is convinced that it will not be possible to rectify the situation in a hurry: the state has no money "to qualitatively increase the level of combating it." Another handicap is "a mismatch between the legal base and reality." The presidential aide believes it would not be bad to adopt the experience of some Western countries and proceed in corruption cases "not from incomes, which are being successfully concealed, but from the expenses" of one or another individual. Finally, "something also depends on political decisions in major cases," Mr. Baturin said.

The Russian Federation president's aide announced that preparations for the Moscow "G-8" nuclear safety summit is in full swing. In his words, "they have at least managed to formulate a list of questions." Next in line now is to study the Russian positions with the departments concerned. According to Yuriy Baturin's information, the nuclear safety situation in Russia is "still alarming, but it has improved over the last year." There were 58 violations at AES's [nuclear energy plants] discovered during the first half of the current year, or half the number discovered last year. Notably, according to the IAEA classification, they are in the "minor" category. Mr. Baturin described the situation involving the Navy's nuclear power-generating units as "the most difficult." As for thefts of radioactive materials, the situation, on the contrary, does not cause special concern. This year, two instances of stolen low-enriched uranium were recorded. No cases of stealing weapons-grade materials were recorded. In Yuriy Baturin's words, "serious experts of foreign special services report to their leadership that nuclear safety in Russia is at the required level."

The national security adviser denied reports of heightened activity of Russian special services in the near abroad, reiterating that Moscow conducts no intelligence activity in CIS countries. As for the Baltic countries, "intelligence activities there are no different from, or at any rate, do not exceed," activities in the far abroad. Finally, responding to your SEGODNYA correspondent's request for comment on the rumors about the Kremlin's having already approved plans to retarget Russian missiles to Eastern Europe and the Baltics, Yuriy Baturin laconically said that this is not so.

## Unidentified General Comments on Grachev's Remarks

*MK2410095295 Moscow ZAVTRA in Russian No. 42, Oct 95 pp 1, 6*

[Interview with unidentified general by unidentified reporter; place and date not given: "General N. Reasons"]

[FBIS Translated Text] On 25 September, right after his meeting with President Yeltsin in Sochi, Russian Federation Defense Minister Pavel Grachev addressed a press conference where he made a number of statements on military-political questions. This was followed by clarifications on Grachev's stance in the media by high-ranking Defense Ministry representatives that produced much stir in the country and abroad. A Russian Federation Defense Ministry staffer with the rank of lieutenant general, who asked not to be named, agreed to comment on the situation for us.

[Correspondent] Grachev stated that Russia would observe the treaty on conventional arms in Europe (CFE Treaty) but not to the country's detriment. What can this mean in practical terms?

[General N.] Yes, indeed, our minister of defense, General of the Army P.S. Grachev, voiced such ideas, and not for the first time at that. The meaning of his statement, I feel, consists in that our partners in the CFE Treaty should meet Russia halfway on the so-called flank quotas — that is to say, to agree that Russia will have in the Northern Caucasus and the Leningrad Military Districts so many heavy weapons as is necessary to defend the country rather than as many as is specified by the Treaty, which, incidentally, was concluded in 1990, that is to say, in different military-political conditions, when there still existed the Soviet Union and the Warsaw Pact Organization. Today the situation has changed radically. However, NATO countries, and above all Turkey and Norway, until recently refused to meet Russia's legitimate interests halfway in respect to flank quotas and limits. When it became clear that, were this nonconstructive line continued, we would simply refuse to comply with the Treaty in this regard, NATO seemed to have begun showing a readiness to take account of our interests. But in exchange, we are being urged to lift objections against NATO's expansion toward the East, which is of course inadmissible.

[Correspondent] Yeltsin stated recently that a military bloc within the framework of the CIS would be created in response to NATO's expansion. Grachev was much more cautious on that. Do you see a clear contradiction in the positions of the president and the minister?

[General N.] I think the journalists are not quite correct interpreting what the country's president B.N. Yeltsin said about the prospects of a CIS military union. Well, how can, for example, Kyrgyzstan or Uzbekistan help us against NATO? Why involve them in that at all? Ukraine will apparently reject such a military union and it will work for both sides. Belarus is different. It is here that military cooperation should be developed on a bilateral basis. The key element of such cooperation is the deployment of tactical nuclear weapons on the territory of Belarus (as well as in Kaliningrad Oblast and on Baltic Fleet ships).

[Correspondent] Why do you think this necessary?

[General N.] The point is that we cannot today afford, for economic considerations, an army as big as the USSR had ten years ago. Today, NATO surpasses Russia in the number of troops and conventional arms in Europe by a factor of two or three. After Poland, Hungary, and the former Czechoslovakia join the alliance, the gap will grow wider. The only possible and economically implementable way, under these conditions

— that is, of course, if we are not fascinated by the fate of the Bosnian and Krajina Serbs — is restraining NATO by relying on tactical nuclear weapons capable of minimizing the enemy superiority in conventional arms. That is to say [we should] adopt the strategy that NATO adhered to in the Cold War years. That would involve not only the Western theater of military operations (the Polish border and the Baltic Sea) but also the Northern theater (the border with Norway and the Barents Sea), and the Southern theater (the Black Sea, the Russian naval bases in Crimea, Abkhazia, Georgia, and Armenia). Tactical nuclear weapons will be deployed everywhere.

[Correspondent] Speaking about NATO's expansion, Grachev made it understood that Russia would not undertake forcible actions in this connection. He stated at the same time that Russia's patience would be at an end if the Baltic countries are admitted to NATO. What do you make of it?

[General N.] As for Poland and the other countries of Eastern Europe, I think that we obviously have no real possibilities to prevent this by force. Threat if not backed by specific actions would only discredit our state in the same way this is happening in connection with the events in Bosnia. The Baltics is an entirely different case. There we can also decide to use force.

[Correspondent] In what way?

[General N.] In the most direct way. If NATO decides to go ahead with such an adventure as admitting the former Soviet Baltic republics to become part of it, the Russian Federation Armed Forces will be brought to the territory of Lithuania, Latvia, and Estonia. Any NATO attempt to prevent this may only result in a world nuclear catastrophe. The West should clearly realize that. P.S. Grachev is right here — patience has its limits.

[Correspondent] Don't you think then that we, as a minimum, are on the threshold of a new cold war?

[General N.] The danger of a new cold war is now more realistic than ever. Importantly, this is not our choice; it is not Russia's choice. This is the West's choice. We are being literally goaded back into the era of confrontation. And this is being done because some folks overseas have an extreme need of arguments to justify the further existence of NATO and to increase the United States' leading role in Europe. On the other side of the Atlantic, there are heard ever louder the voices of those who hope surreptitiously and under the American "nuclear umbrella" to implement Hitler's old "Drang nach Osten" [preceding three words in German: thrust to the East] concept, to extend German hegemony to the former socialist countries of Eastern Europe and then to the Baltic and even Ukraine. It is to camouflage such intentions that a myth of "aggressive Russian imperialism" is being created, which is divorced from reality even further than similar myths of the Cold War times. The main problem, however, is that a new Cold War will create no fewer problems for the West than for Russia.

[Correspondent] What sort of problems can they be?

[General N.] In the first place, this is the future of international control over the nonproliferation of weapons of mass destruction and missile technology. P.S. Grachev did not speak about this but I can easily imagine that, if cornered, we will be forced into broad cooperation or, simply speaking, into selling nuclear and missile technology of military designation to such countries as India, Iran, Iraq, and even Algeria after Islamic forces have come to power there. What is more, I do not rule out Russia's direct military union with some of the above countries, with Iran first of all.

[Correspondent] Well, does this amount to the implementation of Zhirinovskiy's idea — the Russian army on the Persian Gulf coast?

[General N.] This is actually so, although, let me stress again, this is extremely undesirable.

[Correspondent] According to some information, the ideas you are putting forward today were discussed in general terms during the meeting in Sochi by Grachev and Yeltsin. Did the president not have some fundamental objections?

[General N.] I have no right to comment on that. I can only say that we expect that some of the ideas that have been voiced will be publicly refuted given the new foreign policy expediency. You, however, should not take such refutations seriously. We have worked and will work in this direction.

## Military Issues

### Gromov Assesses Situation in Navy, Baltic Fleet

*WS2310111595 Kaliningrad STRAZH BALTIKI in Russian 3 Oct 95 p 1*

[Article by A. Vasilyev: "It Is Necessary To Support the Fleet's Vitality"]

[FBIS Translated Text] "IT IS NECESSARY TO SUPPORT THE FLEET'S VITALITY," SAID ADMIRAL FELIKS GROMOV, RUSSIAN NAVY COMMANDER IN CHIEF, AFTER COMPLETING A WORKING VISIT TO KALININGRAD LAST WEEK. [sentence published in upper case]

Speaking about the aims and tasks faced by the Baltic Fleet, Admiral Gromov singled out three tiers of issues. The first concerns the Fleet's preparations for the fall-winter period.

The second tier is connected with examining the situation on the "Admiral Chabanenko" sub-chaser. The ship will soon undergo performance tests. The Navy commander pointed out that, unfortunately, the construction of warships has become a rare phenomenon in Russia these days and the launching of "Admiral Chabanenko" is, undoubtedly, an important milestone in the life of the Russian Navy.

The third tier of problems is related to assessing the state of military discipline, organizing military service, and, naturally — rendering assistance to the Navy in the resolution of those problems.

The fleet's preparation for the winter is accompanied by certain hardships, which are primarily caused by inadequate financing of the fleet, particularly the sphere of municipal services. Admiral F. Gromov pointed out that the fleet's debt for electrical energy had led to disconnecting a number of military facilities from the power grid. The Navy commander is convinced that the debt problem should be resolved by the Russian government. On the other hand, power engineers should realize that military units are comprised of people who ensure the fleet's combat readiness and security of the region and of all of Russia.

Admiral F. Gromov underscored that the Baltic Fleet would receive required assistance both in the issues of food procurement and in the resolution of the problem of municipal services. He expressed hope that on its part the fleet, too, would do everything in its power.

As had been expected, the most urgent problem — that of housing — was also addressed. According to Admiral Gromov, the current situation in the military construction sector [of Kaliningrad Oblast] is complex; however there are signs of improvement. We are still dealing with the housing problem of homeless servicemen redeployed from the Baltic states. This task comprises a number of sub-tasks. First, around 600 apartments have been built with funds allocated by the Russian Navy. Second is the issue of the construction of housing financed by those foreign states which undertook commitments to provide housing for servicemen redeployed from the Baltics. This will take care of another 1,000 apartments.

Third, all non-budgetary funds received by the Baltic Fleet are earmarked to construct housing.

The situation is very dramatic in Baltiysk and Kaliningrad, where some 3,000 servicemen do not have homes. Still, some progress has been observed, despite the fact that the housing program has only been 20 percent financed. Meanwhile, the housing program for servicemen which has been approved in oblasts and autonomous republics of mainland Russia is in a stalemate. The Navy commander underlined that the housing program is being currently financed solely by budgetary and non-budgetary funds of the Navy and the Defense Ministry.

Speaking about the state of combat readiness of the Russian Navy in general and the Baltic Fleet in particular, the Navy commander emphasized that the Baltic Fleet personnel, just as the personnel of all other fleets, ensure observing orders on the duration of warships operational lives, despite the fact that many ships have not been able to undergo regularly scheduled maintenance. Everything depends on the servicemen's patriotism, enthusiasm, and intelligent approach toward the use of weaponry and hardware.

Unfortunately, that kind of situation is typical of both the Russian Navy and its Baltic Fleet. We can ensure timely maintenance of a mere 18 percent of ships.

Russia is a maritime state. Therefore, caring treatment of the Navy is the primary task of every citizen and every Russian leader. Now, when we are approaching the 300th anniversary of the Russian Navy, we should do everything to support the fleet's vitality. We are doing what we can, yet we also need assistance from state structures.

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## Kasatonov Interviewed on Retaining Black Sea Fleet

*MK2410131395 Moscow MOSKOVSKAYA PRAVDA in Russian 18 Oct 95 p 2*

[Interview with Admiral Igor Kasatonov, first deputy commander in chief of the Russian Federation Navy and director of the Russian Federation Government's Naval Center, by A. Zinovyeva; place and date not given: "Russia Will Not Be Russia Without a Navy. Admiral Igor Kasatonov: 'Russia May Lose Many Things, But Will Remain Great. If It Loses Its Navy, It Will Cease To Be Russia'"]

[FBIS Translated Excerpt]

### Who Benefits From 'Slavic Squabbles'?

[Zinovyeva] Igor Vladimirovich, there is a ballyhoo going on about the Black Sea Fleet all over the world (in Russia, unfortunately, it is actually less loud than it should be). But what is going on there in reality? It is terrible to realize that Russia could be pushed out of the Black Sea, and there are clear encroachments on the fleet and its logistical base. In fact this has occurred more than once before, if we look into history. Turkey has begun spreading its wings again, and NATO countries are circling around like hawks. Why is Russia being so sluggish? Please, be as frank as possible — you spent effectively one-third of your life in Crimea, where you were the fleet commander.

[Kasatonov] Indeed, the Black Sea Fleet is the most important operational-strategic formation on the southwestern flank. Its personnel — there are tens of thousands of servicemen there — have to attend to their professional business. But for something approaching four years now, since December 1991, the Black Sea Fleet has been jittery. The servicemen, the sailors who are ready conscientiously to protect our country's borders in this crucial strategic sector are being forcibly distracted by various sorts of political collisions and interference. The sovereignty proclaimed by Ukraine is, of course, a matter for that state and is the right of any country. But its attempts to seize the armed forces, particularly the Black Sea Fleet, which belongs to Russia as the successor to the former USSR, by privatizing them by fair means or foul will benefit neither of our states. [passage omitted]

### The "Islamic Belt" Is Not To Be Trifled With

[Zinovyeva] Igor Vladimirovich! What does the Black Sea Fleet currently mean for Russia strategically?

[Kasatonov] For centuries the fleet has fulfilled the mission of protecting the Russia's interests on the southwestern flank, and it continues to do so. The existence of a navy is also becoming increasingly important for the CIS in connection with the emerging "Islamic belt." The instability that has come about in Bosnia could easily spill over or recur in other forms in Europe, while here we have Tajikistan and Chechnya, where our soldiers are being killed. One does not need to be a sophisticated analyst to realize that this is a threat that is fraught with extremist actions, with terrorism — such as we are already witnessing in Afghanistan, Tajikistan, and many other places. Turkey, an Islamic state, even though it acts "in a civilized fashion," supplies weapons to Muslims in Bosnia and Croatia. Through Afghanistan and other paths this influence is reaching Tajikistan — all these are very worrying signals.

[Zinovyeva] Turkey also has "views of its own" on the Black Sea, doesn't it?

[Kasatonov] Of course, as the master of the straits, Turkey would not mind reaping extra profits there. There have been incidents where the treaty signed in Montreux on freedom of navigation in the straits was ignored, when restrictions were placed on the passage of Russian and Ukrainian ships through the Bosporus and the Dardanelles. All this is so serious. The longer the "Slavic squabbles" continue, the longer instability will persist in the two kindred states.

### NATO Is "Foraging" Off Russian Shores

[Zinovyeva] The NATO countries, which have been heating up the situation the whole time, can probably also be called a "destabilizing factor." What interests is this military "conglomerate" pursuing in the Black Sea?

[Kasatonov] Of course NATO does not care for a strong Russia or want a union of Ukraine and Russia. Moreover, NATO is "foraging" close to Russia's borders. Its ships are constantly plowing the Black Sea. Over the past two years there have been more ships there than over all the previous 70 years. A U.S. assault force was landed outside Odessa and marched on eastward. What does this mean? If it goes on like this, Russia will be left with Novorossiysk as the only seaport on the entire Black Sea coast operating for national economic purposes. There is no base for a naval Black Sea fleet there, and the requisite infrastructure cannot quickly be created either because that requires a vast amount of money and time. If we are left in a narrow eastern corner, with the Georgian borders on one side and the Kerch strait, on the other, who will then pay Russia any heed?

[Zinovyeva] Igor Vladimirovich! As you said, the Black Sea Fleet must act as the guarantor of economic and strategic security. Can it cope with this task technically? From time to time the press runs reports suggesting that the fleet is not that strong, that it is really not worth locking horns over. Is this someone's scheming?

[Kasatonov] You can judge for yourself. The fleet currently includes about 200 ships and patrol boats, about 300 auxiliary craft — fairly up-to-date, mobile ships and submarines — plus aircraft and an adequate coastal infrastructure. The fleet's systems have a good level of combat readiness. But combat potential, of course, has to be maintained. Maintaining the Black Sea Fleet is an expensive pleasure. What it needs is electricity, fuel, lubricants, spare parts, and weapons. Russia is capable of maintaining such a fleet. [passage omitted]

[Zinovyeva] Igor Vladimirovich! Other problems apart from financing, diplomatic problems first and foremost, also have to be tackled, haven't they?

[Kasatonov] With regard to the Black Sea Fleet, yes, they have. Talks must be continued with Ukraine, even though there has been no lack of talks and the entire potential for compromises and concessions has already been exhausted, even excessively so. We must see to it that the unified infrastructure of the Black Sea Fleet is not disrupted and not retreat from the stance whereby everything that has a bearing on the fleet in Crimea belongs to Russia, as President Yeltsin said during his talks in Massandra. That is exactly the way it is. [passage omitted]

[Zinovyeva] All these "intergovernment squabbles" and political instability must be having a direct impact on the local population and the servicemen stationed there.

[Kasatonov] The Black Sea Fleet sailors' living standards are two or three times lower than in any other Russian fleet. The local population's level of prosperity is also barely above the tolerable. Electricity in their apartments is cut off several times a day — it is switched off deliberately, for the purpose of saving electric power. There are no fuel reserves for the winter at all — and winters are cold in Sevastopol. Traditionally water has been in short supply there, and the fleet has always offered a helping hand. Furthermore, it should be understood that it is hard for people not just materially. An unprecedented information vacuum has been artificially created there into the bargain.

The Ukrainian leadership has been pursuing a clear-cut policy with regard to Crimea and the Black Sea Fleet. A firm strategy is evident: To crowd the Black Sea Fleet out. All the state structures and the entire state apparatus are geared to it. Print media, television, and radio that carry information from Russia are viewed as highly dangerous. This is the reason why Public Russian Television [ORT] has been cut off and why the circulation of Russian newspapers, literature, magazines, books, textbooks is obstructed. The schools are being swamped with history textbooks that contain biased information about Russia. Moreover recently, by decision of the local authorities, children whose parents serve in the Russian Black Sea Fleet are being identified with a view to pressenting Russia with the bill and demanding payment for educating foreigners. This barbarity will do them no good.

The fleet command, unfortunately, has not forged relations with the local authorities, which have recently become more pro-Ukrainian. Yet the population of Crimea, of Sevastopol, wants the Russian fleet to stay in its main base.

[Zinovyeva] And what about their mood?

[Kasatonov] In favor of a great Russia!

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## Armed Forces' Motor Pool Seen Heading for Crisis

*MM2410105295 Moscow KRASNAYA ZVEZDA in Russian 20 Oct 95 p 1*

[Article by Oleg Vladykin: "Armed Forces' Motor Pool: Crisis Not Yet With Us, But It Seems To Be Very Near"]

[FBIS Translated Text] Imagine the following hypothetical situation: The Russian Army suddenly loses all its motor vehicles. That would mean that 94 percent of ground-based mobile arms and military hardware would be left without basic automotive chassis. And in branches of the Russian Armed Forces like the Strategic Missile Forces, the Air Defense Troops, the Air Force, Navy, and Armed Forces Rear Services units virtually 100 percent of everything that should be capable of movement along the ground would come to a standstill. Suffice it to cite as an example the widely renowned "Smerch" and "Uragan" salvo-fire rocket systems, the "Tochka" tactical missile launcher, the "S-300" antiaircraft missile system, and the "Topol" missile system — they are all mounted on automotive chassis. And there are over 1,000 types of such ground-based weapon platforms, with another 500 in the pipeline.

Today there are about 700,000 units in the Military Automotive Equipment [MAE] pool, which includes multirole army vehicles, tracked vehicles, special wheeled chassis, full trailers, and semitrailers. It is correspondingly the very basis which determines the most important quality of a modern army — mobility. Thus, if the Army were to suddenly find itself without motorized vehicles, troop mobility and maneuverability could be compared approximately to the status of the army in World War I.

Needless to say, it would be wrong to talk about the likelihood of this situation's arising in the immediate future. The Armed Forces, as the figures show, now have a sizable motor pool and no one has any intention of siphoning vehicles out of it. But nonetheless this hypothesis is not so hypothetical. Because the current state of MAE, the dynamics of its renewal and replenishment give rise to very alarming thoughts. In the more remote future, in 10 years, say, the prevailing state of affairs will clearly result in a situation that right now seems purely speculative.

In the period 1993-1994 the Russian Armed Forces motor pool has dropped by 132,000 units. This process is also continuing this year. It is in many respects due to overall cutbacks in the Army and Navy. However, the customary aging of equipment is also making itself felt to a considerable degree. Today vehicles with around six years in service make up 36 percent of the entire pool. While those with between six and 12 years' and over 12 years' service represent 45 and 19 percent of the total pool respectively. Yet military specialists worldwide long ago established an optimum ratio of new to aging models of motorized equipment for army combat readiness of 50, 35, and 15 percent in terms of the above normatives for years in service. The status of motor pools in all the leading military powers corresponds to roughly those indicators.

The Russian Federation Defense Ministry Main Armored Directorate told me that, according to their estimates, the troops should annually be supplied with no less than 26,000 new automotive vehicles in order to maintain the optimum qualitative specifications of the pool. But in the first nine months of 1995 the Defense Ministry was only able to buy just over 1,000 from manufacturers. That was all the Defense Ministry's budget funds allowed for. The fact that its requirements exceed real procurements by a factor of more than 20 gives rise to a directly proportional increase in the proportion of old equipment in the military motor pool. The situation is further aggravated by the large quantity of thoroughly obsolete vehicles such as the Ural-375,, the KrAZ-257 and 214, and the ATS-59 at the troops' disposal.

Incidentally, the extremely meager funds allocated for MAE procurements have put manufacturers themselves and all Russia's motor vehicle plants in a very difficult position. After all, since military equipment is fundamentally different from vehicles intended for economic purposes it cannot be used extensively outside the Armed Forces. Therefore the dramatic fall in orders for MAE calls into question the stable operation and preservation of sizable production capacities at the plants. They will either have to be just wound up or converted to manufacture exclusively civilian output, for which it is also, incidentally, hard to find solvent customers in the current conditions.

Admittedly, I must point out that in this tricky situation leaders of motor vehicle plants do nonetheless take an understanding view of the difficulties faced by the Armed Forces and are finding opportunities to maintain MAE production. Work is even under way to develop advanced models of military equipment. Moreover, steps are being taken to develop a Russian production base to manufacture military vehicles hitherto produced in the near abroad. It is well known that production of many types of military equipment was scattered around the former Soviet Union.

The efforts made by the Russian Federation Defense Ministry Main Armored Directorate as the general customer for MAE and by leaders of the automobile industry to preserve the production of vehicles for the Army inspire hopes that the worst forecasts will not materialize. The very worst.... But, regrettably, there are no grounds for even restrained optimism. Without major state support the already noticeable reduction in the proportion of new equipment in the Armed Forces' motor pool may worsen still further by the year 2000. Do I need to explain further what impact this will have on troop combat readiness? Because then our only salvation will be...horse power.

## Federal Assembly

### Federation Council Condemns U.S. Embargo of Cuba

*LD2410101595 Moscow ITAR-TASS World Service in Russian 0924 GMT 24 Oct 95*

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 24 Oct (ITAR-TASS) — The Russian Federation Council today adopted a statement in connection with the fact that the U.S. Congress passed a bill "On freedom and democratic solidarity with Cuba." It says that on 19 October 1995 the U.S. Congress approved this bill which envisages "the tightening of the embargo against Cuba and the adoption of sanctions against states, organizations, and individuals maintaining trade and economic relations with that country." The Federation Council has already said in a previous statement that this bill "fails to meet the universally recognized norms of international law and the rules of international trade."

Deputies of the upper chamber of the Russian parliament said that the policy of "certain political forces in the United States" toward isolating Cuba is out of tune with the spirit of modern times.

The Federation Council confirms that Russia "will continue to develop its relations with Cuba, including economic relations, proceeding from Russia's national interests." Deputies expressed the hope that "common sense will prevail" in the United States and that "the bill will not come into force."

### Council Elects Skuratov Procurator-General

*LD2410105395 Moscow ITAR-TASS in English 1042 GMT 24 Oct 95*

[FBIS Transcribed Text] Moscow, October 24 (ITAR-TASS) — The Upper House of the Russian Parliament (the Council of the Federation) today endorsed Yuriy Skuratov's appointment to the post of procurator-general of the Russian Federation. One hundred and thirty-nine members of the council voted for his candidature, no votes were cast against him, and only one

MP [member of parliament] abstained. The voting was secret. It was done by the electric method, not through polling booths.

President Boris Yeltsin officially submitted Skuratov's candidature to the Council of the Federation on October 16, 1995.

### Council Appoints Arbitration Court Judges

*LD2410105795 Moscow ITAR-TASS in English 1037 GMT 24 Oct 95*

[By Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow, October 24 (ITAR-TASS) — The Russian Federation Council has appointed Tatyana Neshatyeva, professor of the Perm State University, and Beksultan Seinaroyev, professor of the Tyumen-based international college, judges of the Supreme Arbitration Court.

The candidacies of the newly appointed judges were offered for approval to the Upper House of the Russian parliament by the Russian president. Endorsing the candidates to the new post, the lawmakers said that both candidates in the capacity of the judges of the Arbitration Court meet the requirements stipulated by the Russian Constitution.

### Duma Issues Statement Hailing UN Jubilee

*MM2410100295 Moscow ROSSIYSKAYA GAZETA in Russian 24 Oct 95 p 1*

[Unattributed report: "Ideals of Peace and Justice Still Inspire United Nations. United Nations Celebrates 50th Anniversary 24 October"]

[FBIS Translated Text] In connection with the 50th anniversary of the United Nations the State Duma has adopted a statement noting that the creation of this organization was one of the most important results of World War II. In its 50-year-long activity the United Nations has made a significant contribution to strengthening peace and security and played a historic role in the fight against colonialism and racism and in disseminating the ideals of peace, democracy, and justice.

The statement drew particular attention to the need to use the instrument of coercion with extreme caution. In particular, it said that it is time to finally resolve the issue of lifting the obsolete regime of sanctions against the Federal Republic of Yugoslavia and also to eschew any forms of discrimination against the Russian-speaking population resident outside Russia.

### Duma Deputy Hits 'Anti-Peasant' Draft Budget

*MM2310142895 Moscow SELSKAYA ZHIZN in Russian 21 Oct 95 p 1*

[Abbreviated version of speech delivered by Russian Federation State Duma Deputy V.I. Naumov — date not given: "The Draft Budget Is Anti-Peasant From Start to Finish"]

[FBIS Translated Text] The concept behind the draft federal budget that has been submitted is based, in our opinion, on a long-obsolete theoretical principle formulated some time ago by Gaydar's government. Its essence is that stable economic growth in the country is possible only after a redistribution of resources from the agrarian to the industrial sphere.

Unfortunately, today this thesis has been supplemented by new research according to which even the industrial sphere should not have state support now. I do not wish to talk about the income side of the budget, whose validity prompts great doubts. But let us look at the expenditure side. In the context of an overall increase of 67 percent, expenditure on the agro-industrial complex is increased by 25 percent, and on industry, the power industry, and construction by 38 percent. Yet expenditure on state administration is increased by 72 percent, on law enforcement activity by 130 percent, and on the president's protection by 152 percent.

We are even seeing the emergence of special — secret, if I can put it like that — items of expenditure. For instance, the Finance Ministry, without any explanation, puts 54 trillion rubles [R] under the heading of other expenditure, and considers that situation normal.

Yet the government's course of ruining the country's agriculture is beyond all doubt. How else are we to explain the fact that the proportion of support for rural commodity producers, who have already been reduced to extremes of poverty and degradation, is constantly declining? Thus, whereas in 1991 the agro-industrial complex's share of the expenditure section of the budget was 19 percent, this year it is 3.77 percent, and the plan for 1996 is for only 3.16 percent. And this in a situation where the agro-industrial complex accounts for 20 percent of the income side of the budget.

In the prediction for 1996, the agrarian complex is again being pushed toward further reducing the production of crop farming and livestock products, yet production cannot fall any further.

Per capita consumption of food products in Russia has fallen by almost one-third in recent years, and is at the level of consumption of the world's starving countries. In the period of stagnation our country ranked seventh in the world in this indicator, but now it has dropped to 39th.

Relying on an increase in food imports from abroad is not only futile, but dangerous, in the sense of the loss of the country's independence. In any case, we have already collected all the trash from abroad, and now all imported food products are seeing a marked increase in prices. For instance, grain prices will apparently double this year. In 1995 food consumption was covered to a significant degree by imports, which accounted for a total of 28 percent. Thus, in the first half-year alone, 747.5 million tonnes of meat (including poultry) was imported, which is 68 percent of the volume of our own production. And that is not the upper limit, if we support the foreign agricultural producer instead of Russia's own.

The federal law on the purchase of agricultural products for state needs is being grossly violated. In order to cover even the minimum state needs for food, the Food Corporation must have R16 trillion in circulation, but it has only 6 trillion — and that is on a repayable basis, with no increase foreseen for 1996. For this reason, only 553,000 tonnes of grain have been purchased for federal stocks, whereas in 1993 20 times that amount was purchased. As of 1 October this year, out of the R6 trillion intended for the formation of federal and regional food stocks, only about 1 trillion had actually been allocated. The food is not being bought, and they are not settling up with commodity producers for the minimal amount sold.

It is hard to explain the position of the government and the ministries in charge, when for the third successive year with regard to all agro-industrial complex sections and articles, in predictions and in practical activity, a purposeful line is being pursued toward eliminating sectors of the agro-industrial complex, including specialized poultry farming, fur farming, and fisheries, while the item dealing with agricultural science has disappeared completely.

Investments in the agro-industrial complex are being reduced at a faster rate than in other sectors. Whereas in 1991 the agro-industrial complex accounted for 31 percent of investments from all sources of finance in all sectors, according to the predictions for 1996 it will account for only 11 percent. Life is ebbing in the countryside, the land growing cold, and the road, land reclamation, and construction organizations that had once been created are idle.

You can forget about the fulfillment of the targeted federal programs approved by the Russian Government, with Gaydar's signature, for the development of grain farming and the production of sugar, vegetable oil, and livestock products. The list of programs financed from the federal budget for 1996 includes only the "Baby Food Industry" program in the sum of R261.6 billion, of which R6 billion comes out of budget expenditure of a capital nature for the support of the agro-industrial complex, and the "Machine Building for the Russian Agro-Industrial Complex" program in the sum of R75.8 billion, whereas R86.5 trillion is needed for the implementation of programs in the agro-industrial complex.

In the conditions that have taken shape in the financial market, agriculture, which has a long lead time, suffers most of all from the shortage of sources of seasonal credit. Since 1994 seasonal credit in monetary form has been replaced with state leasing operations, and since spring 1995 with state commodity credit, which does not work.

Unfortunately, all these attempts have only led to a stepping up of the monopolization of deliveries and an increase in prices for the agricultural commodity producer, the voluntarist distribution of state resources among agents delivering resources to the countryside, etc. Therefore we believe that there should be a return to concessionary credits for agricultural commodity producers at 25 percent [interest], in the total sum of R27 trillion.

It is necessary radically to revise state support for livestock raising, since the support being granted from regional budgets is ineffective. Thus, in 1994 R2.1 trillion was spent for these purposes out of the R6.5 trillion from regional budgets channeled into the financing of agriculture, and this amounted to 16 percent of the total expenditure on support for agricultural commodity producers (R13.1 trillion).

As is clear from the materials relating to the draft budget from 1996 and from the briefings by Ministers Y.G. Yasin and V.G. Panskov, budget subsidies for the agro-industrial complex are being reduced, the special fund has been abolished, and there is to be no credit. Please tell us, how are the countryside and the affiliated sectors to go on working?

I would say that the government is pursuing not a tough, but a ruinous credit and monetary policy in the interests of the West, ruining its own commodity producers.

It is wrong, indeed criminal, in economic matters to confuse black with white, to describe a patent fall as stabilization, and to pass off the stifling of production as a tough monetary and credit policy for the sake of restraining inflation.

The draft budget is anti-peasant and anti-people from start to finish. Therefore the Committee on Agrarian Questions deems it necessary to reject it.

## Regional Affairs

### Chechnya Reportage; Negotiations, Military, Politics

#### Chernomyrdin: Moscow Favors Negotiations

*LD2310201295 Moscow ITAR-TASS in English 1946 GMT 23 Oct 95*

[By Gennadiy Yezhov]

[FBIS Transcribed Text] DUBNA, October 23 (ITAR-TASS) — The policy of the government and leadership of Russia with regard to the Chechen Republic has not changed and the president very clearly defined this stand before departure for a tour abroad, Prime Minister Viktor Chernomyrdin told journalists here on Monday.

"Some people are itching to press for a continuation of the war, and there are calls in favour of waging the war in Chechnya until a victorious end is achieved. However, the government and the leadership of the country firmly advocate negotiations and a peaceful solution to the conflict," Chernomyrdin said.

The prime minister reaffirmed that all problems would be settled through negotiations, and not as a result of combat operations. "We must not forget that the conflict has cost us numerous losses. It is essential to be patient. But this does not mean that we want to depart from principled positions. Chechnya is part of Russia. This position remains unchanged," Chernomyrdin said.

#### Volskiy To Resume Work in 'Few Days'

*LD2310145595 Moscow INTERFAX in English 1317 GMT 23 Oct 95*

[FBIS Transcribed Text] MOSCOW, Oct 23 (INTERFAX) — The health of Arkadiy Volskiy, leader of the Russian Union of Businessmen and Entrepreneurs (RUBE), has improved considerably and he will start work in a few days, the RUBE press service reported to INTERFAX.

Volskiy "suffered from poisoning during his trip to Chechnya but now he feels much better."

When Arkadiy Volskiy did not come to Chechnya last week with Vyacheslav Mikhaylov, leader of the governmental delegation at the negotiations in Chechnya, there were rumors that he had been dismissed from the post of deputy head of this delegation. Oleg Lobov, presidential envoy in Chechnya, refuted these rumors stressing that Volskiy still holds his post.

According to the press service, Volskiy "is unlikely to go to Chechnya in the near future." He plans to go to Bishkek October 30-31 to attend a Council sitting of the International Congress of Businessmen and Entrepreneurs and to meet with Russia's and Kyrgyzstan's businessmen and entrepreneurs, the press service said.

#### Dudayevites Prevent Roshni-Chu Probe

*LD2310185695 Moscow INTERFAX in English 1650 GMT 23 Oct 95*

[FBIS Transcribed Text] GROZNYY, Oct 23 (INTERFAX) — The Dudayev side will not allow investigators from the Russian Chief Military Prosecutor's Office to continue investigating the October 8 bombings of Roshni-Chu and other Chechen villages.

The decision has been taken in connection with Russian media allegations that one of the houses in Roshni-Chu was destroyed by an explosion inside the house, Akhmed Zakayev, member of the Dudayev delegation at the Groznyy talks, told INTERFAX Monday.

The Chechen side insists that a tank shell hit the house killing three and wounding two members of a family, including children.

Zakayev stressed that after such statements on the Russian side "we do not intend to contribute further to the work" of Russian officials in Chechen villages.

However, a representative of the federal troops command in Chechnya told INTERFAX Monday that a group of investigators from the Russian Chief Military Prosecutor's Office intends to continue its work in Roshni-Chu.

#### Command Denies Combat Operations Imminent

*LD2410114095 Moscow Radio Rossii Network in Russian 1000 GMT 24 Oct 95*

[FBIS Translated Text] Rumors about the start of combat actions by the federal troops from 25 October in Chechnya are groundless. An INTERFAX correspondent was told this today at the press center of the commander of the joint federal forces in the Chechen Republic. Having pointed out that these kinds of rumors are being intensively disseminated, the press center stressed that they are being spread by those who are not interested in the stabilization of the situation and implementation of the package of military issues and of socioeconomic tasks.

According to the press center's data, the situation in Chechnya is still difficult. Positions and deployment sites of military units, the commandant's office and checkpoints are constantly being fired on using mortars and heavy weapons. Federal troops have been fired on 1,336 times from the moment of signing the agreement on the package of military issues, from 30 July to 20 October.

### Soldiers To Serve No More Than Six Months

*MM2310144695 Moscow KRASNAYA ZVEZDA in Russian 20 Oct 95 p 1*

[Announcement by Russian Federation Defense Ministry Information Directorate: "Soldiers in 'Hot Spots' To Be Relieved and Have Well-Earned Leave"]

[FBIS Translated Text] Russian Federation Defense Minister Army General Pavel Grachev has adopted decisions and issued instructions articulating the regulations governing a stricter and clearer procedure for sending drafted servicemen into and stationing them in areas of armed conflict.

Inter alia, according to the adopted decision, those who have served for over six months in the Chechen Republic will be relieved this November or December. All soldiers and NCO's drafted for military service in spring 1994 regardless of their time spent in Chechnya will be relieved at the same time.

In the future, servicemen of this kind serving in large formations and units stationed in regions of armed conflict will be relieved within six months — by members of the forces from which they were assigned.

What is more, the procedure governing the provision of leave for those servicemen who have to serve 24 instead of 18 months under the federal law "On Changes and Addenda to the Russian Federation Law 'On Military Service Obligation and Military Service'" has been clarified. People serving as privates and seamen will be given basic leave of 30 days. NCO's and petty officers will be given 35 days.

If a serviceman has already been granted his basic leave of 15 (20) days, he must be granted his unused 15 days' leave before the end of his prescribed term of military service and at the same time discharged into the reserve on the day following the end of his leave. When a serviceman departs on this leave he is at the same time handed formal military discharge papers and the requisite settlements made.

Additional leave will similarly be granted to servicemen currently serving or who have previously served in posts and in regions for which additional leave has been prescribed owing to the special conditions. Needless to says, provided that they have completed in full the prescribed period of service in these posts and regions entitling them to additional leave.

The procedure for granting sick leave and family leave to drafted servicemen remains unchanged.

[Signed] The Russian Federation Defense Ministry Information Directorate

### Incident Drop Seen as Response to Russian Move

*MM2410121495 Moscow KRASNAYA ZVEZDA in Russian 24 Oct 95 p 3*

[Report by Vitaliy Strugovets: "There Is Still a Chance of a Peaceful Outcome, Although There Is No Less Shooting in Chechnya"]

[FBIS Translated Text] The consultations that Vyacheslav Mikhaylov, minister for nationalities affairs and head of the Russian delegation to the talks, and Oleg Lobov, plenipotentiary representative of the Russian Federation president in Chechnya, held at the end of last week with the country's leadership confirmed the priority given to a peaceful resolution of the conflict. And this did not go unnoticed. There was a dramatic reduction in the number of instances of shooting at federal troops on Sunday 22 October. This may have been a reaction to the Russian side's statement that field commanders who have recently left Dudayev's jurisdiction will also be invited to the talks that resume on 24 October. That means representatives of the "third force" to which many observers attribute actions that have dramatically exacerbated the situation in Chechnya recently. The events of the next few days will reveal how real this "third force" is.

Meanwhile Russian servicemen themselves believe that a significant reduction in provocations has been achieved thanks to the fact that the troops have been given the "go-ahead" to open fire in every instance of firing. As a result several of the gunmen's most active firing positions have been suppressed. But the Joint Grouping of Federal Troops command press center notes that Dudayev's supporters, having suffered losses, have begun to make more use of "human shield" tactics and are siting their firing positions in close proximity to homes. In such cases, try as the Russian servicemen might, it is hard to totally avoid damage to the civilian population.

Incidentally, about that damage. An investigating commission that visited Roshni-Chu and Achkhoy-Martan did not agree with the Dudayev side's view that the houses of local inhabitants were destroyed by aviation bombs and tank shells. The facts indicate otherwise....

### Situation at Ingushetia Border 'Complex'

*LD2310193595 Moscow ITAR-TASS in English*
*1531 GMT 23 Oct 95*

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, October 23 (ITAR-TASS) — A complex situation is keeping on around units of border troops at the administrative boundary between Ingushetia and Chechnya, Colonel-General Andrey Nikolayev, director of Russia's Federal Border Guard Service, told a press conference here on Monday.

This year, Chechen militants more than 200 times fired on and attacked the posts and pickets of border troops who protect the administrative boundary of Chechnya and who are not involved in direct combat operations in the area of the restoration of the Constitutional order. Over the period that has passed since the conclusion of an agreement on military issues, unlawful Chechen formations fired on border guards 20 times, the general said.

A particularly complex situation has developed in the area of lower and upper Alkun and Alkhasty, General Nikolayev said. It became known to the border guards that militants from the Bamut group are preparing to plant mines and undermine a mountain section of the road between Galashki and Alkhasty. It is not ruled out that in so doing the militants would try to capture border guards so as to exchange them subsequently for criminals kept in custody in places of confinement.

The situation at the administrative boundary between Chechnya and Dagestan remains unstable as well. Over there, militants from the Nozhay-Yurt group are busy actively reconnoitering units of border troops deployed in Kazbek district of Dagestan, General Nikolayev pointed out.

Nikolayev believes that "an analysis of the current situation makes it possible to draw a conclusion about a possible preparation of armed actions by unlawful formations against border troops in Khunzakh sector."

In response to a question from the ITAR-TASS correspondent about the fate of border guards captured by Chechen militants in Dagestan on August 24, Nikolayev said they all are alive but the leaders of the bandit formations demand that four officers and a soldier-driver be exchanged for inveterate criminals, who serve prison terms for grave crimes, not for captured militants. Talks on the release of the border guards are being continued.

### Khadzhiyev, Avturkhanov Resignations Viewed

*LD2310212795 Moscow NTV in Russian*
*1900 GMT 23 Oct 95*

[Report over video by unidentified correspondent; from the "Segodnya" newscast]

[FBIS Translated Text] There were important events in Chechnya today. The main news in Groznyy is the decision of Salambek Khadzhiyev, the head of the National Rebirth government of Chechnya, to resign. Our special correspondents report from Groznyy.

[Correspondent] It emerged today that the key figures of the pro-Russian National Rebirth government of Chechnya, Salambek Khadzhiyev and Umar Avturkhanov, are resigning. The rumors that have long been circulating in Moscow and Groznyy have proved true. Khadzhiyev will be replaced by Doku Zavgayev, former chairman of the Chechen-Ingush Supreme Soviet, and Avturkhanov by Lechi Magomadov, the current Chechen deputy prime minister.

[Begin Khadzhiyev recording] I have been invited to Moscow to take up the post of state committee chairman and member of the Russian Federation Government. [end recording]

[Correspondent] There have been no official appointments yet, but Khadzhiyev said Dovgayev had accepted his suggestion.

[Begin recording] [Khadzhiyev] I agree to accept this agreement [as heard], on condition one of two highly prestigious people in the Chechen Republic, Zavgayev or Khasbulatov, agree to work here at the head of the executive authority. Because I do not have the moral right, nor any other right simply to abandon this work here. In order to prove that the authorities aim to help their people, and in order to show that if there are other forces that would like to help the republic, they must also be given the opportunity to render that assistance, I proposed to these two men back in April that they should head the government, and one of them has agreed.

[Correspondent] Can you name him?

[Khadzhiyev] Yes, Doku Zavgayev, chairman of the Supreme Soviet of the Chechen Republic. [end recording]

[Correspondent] The personnel reshuffle will be consolidated at tomorrow's Chechen Supreme Soviet session, which at least 60 deputies who have been serving for the last four years are expected to attend. According to Soviet criteria, both Khadzhiyev and Avturkhanov have been promoted. The first has been offered the post of chairman of a State Committee under the Russian Government, and the second will become deputy head of the Federal Tax Police. All the reshuffles have been authorized by Russian Prime Minister Viktor Chernomyrdin.

While the Chechnen authorities are engaged in in-house games, the federal command of the joint forces has noted that there have been fewer cases of shelling of Russian forces — though these facts may not be linked.

Observers presume that the reshuffle in the Chechen government is linked with the future elections, and with the fact that the current authorities in Groznyy are not popular among the people.

### Zavgayev Appointed New Prime Minister

*LD2410085095 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0810 GMT 24 Oct 95*

[FBIS Translated Text] The Committee for National Accord of the Chechen Republic has accepted the resignation request from Salambek Khadzhiyev, prime minister in Chechnya's Government of National Rebirth, Vladimir Zorin, deputy head of the territorial directorate for the bodies of executive power in Chechnya, told Ekho Moskvy radio.

The Committee for National Accord has confirmed Doku Zavgayev, former chairman of the Chechen-Ingush parliament, in the post of chairman of the Chechnya Government.

### Semenov: Elections Needed Soon

*LD2310184595 Moscow ITAR-TASS in English 1828 GMT 23 Oct 95*

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, October 23 (ITAR-TASS) — A top Russian commander on Monday said that the Chechnya problem can be solved only after the republic elects its leadership.

"I am sure, neither the army nor the interior troops are able to solve the Chechen problem until the republic obtains normal authorities," Colonel General Vladimir Semenov, commander of the Russian Land Forces, told a news conference.

According to the general, the present "shapeless" authorities are unable to solve the existing problems and should be replaced by leaders trusted by the people.

Politicians should take all measures to hold national elections here as soon as possible, the general said, adding that all separatist fighters will become harmless if a strong center-backed power is formed in Chechnya.

### Magomadov Appointed Commitee Chairman

*LD2410095895 Moscow ITAR-TASS World Service in Russian 0907 GMT 24 Oct 95*

[By ITAR-TASS correspondent Nikolay Zagnnoyko]

[FBIS Translated Text] Groznyy, 24 Oct (ITAR-TASS) — The National Accord Committee sitting which confirmed the candidature of Doku Zavgayev in the post of prime minister of Chechnya's Government of National Rebirth, has just ended. Lecha Magomadov, first deputy chairman of the National Accord Committee, was confirmed in the post of committee chairman.

The Supreme Council is to hold an expanded session in the next few days to examine cadre issues.

### National Accord's Magomadov Cited

*MM2310111595 Moscow ROSSIYSKAYA GAZETA in Russian 21 Oct 95 p 3*

[Interview with Lechi Magomadov, first deputy chairman of the Chechen Republic Committee of National Accord, by Groznyy Journalist M. Magomadov; date and place of interview not stated: "Chechens and Russians Share the Same Destiny" — first paragraph is ROSSIYSKAYA GAZETA introduction]

[FBIS Translated Text] Lechi Magomadov, first deputy chairman of the Chechen Republic Committee of National Accord, is one of the most authoritative and respected political figures. At ROSSIYSKAYA GAZETA's request Groznyy journalist M. Magomadov talks with him.

[M. Magomadov] Lechi Dobachevich, you are an active champion of a peaceful settlement of the Chechen crisis. How do you assess the present situation in Chechnya?

[L. Magomadov] Yes, indeed, I am a supporter of the negotiations process. I am in favor of putting an end to the war. I am for peace and concord on Chechen soil. Some politicians, in describing the talks, say that they were tripartite meetings. I disagreed with that way of putting it. Why? Chechnya cannot be represented by several sides. There is one Chechnya. And we have one people. There are simply two wings — the moderate and the radical. We represented the moderate faction at the talks and Dudayev's side was drawn and is drawn more toward the radical wing. What do I contribute to this?

Dudayev and his supporters, taking advantage of the transitional period in Russia itself, have tried to resolve the problem of self-determination immediately, without considering the realities which have taken shape over long centuries. All options for a gradual demarcation of power functions between the center and the regions were categorically rejected. Many conditions which impeded the evolutionary path of development for Chechen society and its insertion on equal terms into the organism of the world community were not considered.

I repeat yet again that the Chechen people cannot be represented at the negotiations process by several sides; we have common interests, we have one country, our economic, cultural, and financial ties are the same and our historical roots have become strongly interwoven. There is no way of separating them.

There can be various attitudes toward any political phenomenon including toward talks. They said that there was no need to hold talks. They began them before us. We joined in later. But that is not what is important. Something else is important — we managed to save many lives. We halted the war. But the fulfillment of the issues in the military section is proceeding very sluggishly. It was impossible to anticipate everything. The opponents of negotiations had to be persuaded.

Now they say that the talks must be halted. That is wrong. We must not stop the process until all questions have been resolved and all contradictions removed. Extremes and drastic steps are inadmissible in politics. Ultimatums are also intolerable. There is no alternative to a peaceful settlement of the Chechen crisis.

As for the aggravation of the sociopolitical situation in Checnya.... The acts of terrorism against Oleg Lobov and General Anatoliy Romanov have tipped the scales in favor of those who are doing everything to unleash a new spiral of the war: On 8 October they bombed the village of Roshni-Chu. The civilian population suffered. Children, old men, and women died. According to the head of the local administration 15 houses were destroyed. There are dozens of wounded. It was a barbaric act. There is no denying. How are the inhabitants of Roshni-Chu to blame?

They rushed to find out who had done it. The military say that their aircraft had not taken off. Then the question arises — who? Here there are federal troops everywhere. All the air space is carefully watched. There is much that is incomprehensible. All this is influencing the situation in Chechnya.

Restoration work is now actively under way. Today we must engage in creation and resurrection. We must emerge from the terrible state we have all found ourselves in.

Many people are displeased with the fact that a large number of parties and movements have appeared in the republic. Let there be many of them. That attests to the fact that political activeness is increasing. The main thing is that the efforts of each movement should be aimed at the quest for peace and accord. And when everyone sits down together at the "roundtable" the normal process of the rapprochement of views and positions takes place. The outlines of future accord and peace on Chechen soil have already emerged but the forces representing the party of war have again intervened. Acts of terrorism ensued. They killed construction workers — people who had come to help us restore the city and the republic. The republic's entire public was alarmed by the attempt on General Anatoliy Romanov. He was a key figure in the peace process.

Who can be interested in the deterioration of the situation in Groznyy? There are various theories on this score. Piratical groups have proliferated today and there are many armed people. A serious struggle against them must be organized. But who can benefit from fighting? They say the party of war or the economic mafia. They destroy and then they get money for restoration. In brief, they say a lot. Right now it is very difficult to get to the truth.

[M. Magomadov] When might elections in Chechnya be held? Is there not a danger that they will be put off endlessly because of the tense situation?

[L. Magomadov] As for the attitude toward elections.... There are as many opinions as people. There is no unity among politicians either. Many advise holding them after stabilization. Of course it would be a good thing to hold elections after peace and accord have prevailed on Chechen soil. But who knows when that time will come? Who can say when stability will be established? Classic conditions for holding elections will not appear soon. The statute on elections adopted by the Chechen Republic national accord committee explains a lot. Of course the statute is not dogma. It can be changed and added to. But I would not defer elections, I would held them before the end of this year. There is such a possibility. It should be expanded, creating the necessary conditions in all regions of Chechnya. And what conditions exactly? Troops must be withdrawn, some must be billeted in barracks, and weapons must be surrendered.

Very many people now are suited by the present chaos and disorder. It is always easier to catch fish in murky water. Is that the case? They say that the present leaders have usurped power in the republic. That is not true. We saw the perniciousness of the regime and its antihumane essence and struggled for a better lot for our people and the republic.

We have not departed from our principles today either. The future of our people and their fate are not a matter of indifference to us.

And voices are also being heard saying that the present authorities are unlawful. These are all political games. The committee of national accord arose on the basis of the interim council created at the nationwide congress. The committee of national accord is represented by all sociopolitical parties and movements of Chechnya. It has been joined by creative unions and various organizations which represent all their societies. The committee of national accord includes representatives of the clergy. Are they unlawful? So that talk of unlawfulness is playing political games.

We must understand one thing — our future is in our hands. If we stop saber-rattling and sit down at the conference table and agree on the provision of amenities for Chechnya then we shall be able to emerge with dignity from the military and political crisis. If we do not then we shall again slide into the abyss of fratricidal war.

We must stop military operations. We must return to civilian life those who are roaming the mountains with weapons. These are our citizens, our people. Yesterday's livestock raisers, construction workers, and workers. I do not deny that there are bandits among them. But there are not many. Mainly they are boys misled by phony ideology who have taken up weapons to exact vengeance for the destroyed villages and houses and their murdered relations. We must return them to civilian labor. Yet we are doing little explanatory work among the population.

Sovereignty is our right. Everywhere we are depicted as enemies. The image of the Chechen as terrorist, the Chechen as bandit and mafioso, has been created. I have spent my whole life to prove that Chechens are not bandits. A terrible tragedy. Most terrible! The Chechens and Russians have never quarreled. They have lived peacefully and always been friends. To this day the Chechens' attitude toward the Russian people is very good. They realize that peoples have nothing to do with it. This is all the work of politicians.

We must do everything to halt the bloodshed. It is hard right now. We must discard personal ambitions and grievances. We must extend to each other a hand of peaceful and accord. There are no other ways. On whom else can we rely? Chechnya and Russia are linked by the commonality of their destinies and roots. There is one territory. One Russia. We are linked with Russia by unbreakable ties of kinship.

## Kalmyk President Holds Press Conference in Moscow

*MM2310153695 Moscow PRAVDA in Russian 21 Oct 95 p 2*

[Report by Nikolay Kozhanov: "Ilyumzhinov Has No Opposition"]

[FBIS Translated Text] That at least is what Kirsan Ilyumzhinov himself believes, as he said during his first press conference following Kalmykia's early presidential elections. But the hail of extremely pointed, unpalatable questions that rained down upon him at Moscow's Journalists Center showed that there is opposition to the young and self-confident president of Kalmykia — if not within, then outside the republic — and fairly impressive opposition at that. Ilyumzhinov was reminded once again of the $3.5-million government loan that has mysteriously vanished, and his bid to set up a "khanate."

However, this did not faze the Kalmyk president. He hinted that he is prepared to be a khan and anything else you like so long as the republic's people lead a humane life. At the same time he presented arguments attesting that a great deal has been achieved to that end under his leadership. Ilyumzhinov claims that crime has been eliminated in the republic and that there is no concept of racketeering. An impressive leather processing plant along with an equally impressive wool washing factory receiving orders from Australia have been built and launched.

Indeed, I wondered, if everything is going so well and smoothly under Ilyumzhinov, what does he want with an opposition and other democratic excrescences? Just to get under his feet? Better to become a khan straightaway, then just let someone try to get in his way....

## Kaliningrad Legislator on Yeltsin's Election Edict

*WS2310134495 Kaliningrad KALININGRADSKAYA PRAVDA in Russian 5 Oct 95 p 2*

[Interview with Yuriy Semenov, Kaliningrad Oblast Duma deputy chairman, by A. Khikhlya; place and date not given: "Emotions Are Not the Best Adviser" — first paragraph is KALININGRADSKAYA PRAVDA introduction]

[FBIS Translated Text] *Boris Yeltsin's edict "On the Elections to the State Administration Bodies of the Russian Federation Subjects and to Local Self-Administration Bodies" has taken many by surprise. It is characteristic that there are no comments on this in the press. Therefore, our readers may be interested in an opinion of one of those directly affected by the* *edict — Yu. Semenov, Kaliningrad Oblast Duma deputy chairman.*

[Khikhlya] Yuriy Nikolayevich, we have recently participated in two all-Russian conferences: One was held by the presidential administration, while the other by the Federation Council. As is known, their participants primarily discussed the the much talked of edict. What opinions were voiced?

[Semenov] Speaking generally, the discussion was difficult and ambivalent. All were "sounding" one another. I would say that a majority of participants, either speaking from the rostrum or sharing opinions in the lobbies, were inclined to seriously criticize the document adopted by the head of state.

First, it was pointed out that the document is questionable from the legal point of view. The Constitution provides for a two-year interim period and appropriate periods of the duration of local authority powers. The electorate voted for current deputies under quite definite conditions, and hardly anybody can change these conditions without the voters. Second, it was stated that the main goal of the edict is to maintain obedient administration heads up to the promised presidential elections next summer. Third, it was pointed out that the position in which B. Yeltsin placed representative bodies of the Russian Federation subjects and local self-administration bodies is equivocal. Roughly speaking, we were offered barely an old bone; if we pick it up, we will put ourself at risk of being reproved by our compatriots.

On the other hand, there were appeals not to give way to emotions. Emotions, as everybody knows, are not the best adviser. The current situation was compared to that in the fall of 1993. Everybody remembers how the difference of opinion was suppressed then, how, allegedly for the sake of ensuring stability, representative bodies were disbanded, and complete power was concentrated in the hands of executive structures. Our social responsibility is too great to yield to the provocation and allow a repetition of those events.

[Khikhlya] What conclusions has our Oblast Duma made?

[Semenov] For the time being, it has made none. After sharing opinions at a behind-closed-doors session, we determined to think it over again and, before passing a resolution, to weigh all pros and cons. It is necessary to hold consultations with colleagues from other krays and oblasts, obtain competent legal expertise, and clarify the position of the State Duma deputies. Besides, our situation has some peculiarities. Formally, we were elected not under the presidential edict of 22 October 1993, but on the basis of a follow-up resolution issued by [Kaliningrad Oblast administration head] Yu. Matochkin. In other words, first we must hear the official opinion of the administration head. Besides, a discussion over the step taken by the president can be substantial only where [Russian Federation] subjects have already adopted their statutes and local laws on elections of both representative bodies and executive power leaders. As for us, we have not yet concluded our work on these documents. The delay is connected, in particular, with the position of our administration. The administration was constantly pressing, under different pretexts, to adjourn the discussion over prepared draft laws.

[Khikhlya] However, on 21 September, at a working session of representatives from the Oblast Duma and the Oblast Administration, Yu. Matochkin proposed a still more rigid plan for creating the oblast normative basis. First, the adoption of a statute through referendum. Following this, the adoption of laws. Will such an approach speed up the creation of a legal basis for elections?

[Semenov] I think not. Such a correlation between laws and the statute is the administration's old idea. This idea does not hold water. There is no need for it. Draft laws are being written while taking into account what was already worked out with regard to the statute. Nonetheless, if there arise some discrepancies, it will be possible to introduce necessary corrections. Regarding a referendum, I think that there is a doubtful aspect in it, too. Launching a referendum may run counter to the Constitution, which provides for the adoption of statutes by representative bodies of the Russian Federation subjects. Besides, putting such complex and sizable documents to a popular plebiscite is hardly advisable. Almost everybody will find pros and cons in them. What decision will be taken by voters? If you support the document in its entirety, you will have to consent to something unacceptable to you. If you vote the document down, you will throw out the baby with the bathwater. To what populism may lead in such matters we all know very well from the case of our Basic Law, which was adopted by referendum. Today everybody criticizes this law severely, starting from ordinary voters and ending with its authors.

At the same time, the administration head "threatened" for a long timer to submit the statute to a referendum, but he has not yet addressed the Duma officially on this account. The procedure for declaring and holding a popular plebiscite is not a quick matter. It may take several months. The legislative process in the oblast will actually be blocked during this term. The conditions for holding a referendum are very tough: No less than half of those entitled to vote needs to take part in it. It is very probable that this measure may be declared invalid. I am sure that in such a case our opponents will consider this result as negative. Hence, all the work on the statute will have to be started anew. Consequently, laws and elections will have to be postponed for an indefinite time, too.

I do not dare to speculate on the motives of Yu. Matochkin's proposals voiced on 21 September. However, if his statements on the willingness to hold elections for the highest executive official [in Kaliningrad Oblast] as early as this spring were frank, he should realize that the scheme, which he advocates, would not benefit his case.

### Yabloko Leader Visits Voters in Chelyabinsk

*LD2310224595 Moscow ITAR-TASS in English 2035 GMT 23 Oct 95*

[By Yevgeniy Tkachenko]

[FBIS Transcribed Text] CHELYABINSK, October 23 (ITAR-TASS) — "Our country needs power subordinated to the law," Grigoriy Yavlinskiy, Yabloko leader, told voters in Chelyabinsk on Monday.

He arrived in the Siberian city to hold meetings with voters ahead of the upcoming parliamentary elections.

Yavlinskiy called on the voters to take an active part in the elections. He said that their votes would determine what kind of power would set in.

Yavlinskiy reiterated his readiness to run for presidential elections in 1996.

### Chernomyrdin: Government To Spend More on Science

*LD2310225795 Moscow INTERFAX in English 1938 GMT 23 Oct 95*

[FBIS Transcribed Text] DUBNA, Russia, Oct 23 (INTERFAX) — Russian Prime Minister Viktor Chernomyrdin said on Monday the government would increase its allocations for science.

The government would propose that provisions to this effect be included in a draft national budget for next year, Chernomyrdin told a meeting at the International United Institute of Nuclear Studies in Dubna.

The concrete amounts will be set by a conciliation commission which is currently working on a draft budget prepared by the government "but it is obvious even today that the total sum of allocations will be appreciably higher than this year's indicators," the premier said.

At the same time, he called for the rapid reorganization of Russian science and "bolder measures to get rid of ineffective fields, laboratories, and sometimes whole institutes." The state cannot "simply finance labels but will give money to what are the most hardworking, talented and productive research teams."

Another important source of support for science is its closer interaction with industry and banks, Chernomyrdin continued. He said the country's finance system was becoming stabilized and this could encourage Russian businesses to put more money into research and development.

He expressed approval of a joint proposal by the International Institute of Nuclear Studies, the Promradtekhbank commercial bank and several Dubna-based military enterprises for setting up an investment fund for research and development. He said the government's Commission for Securities and the Stock Market had taken charge of the matter and that a draft legislative base for the fund was nearly ready.

Chernomyrdin also promised to try to ensure that Russian scientists take part in creating a new-generation accelerator at Geneva's European Center of Nuclear Studies.

The prime minister and the institute signed an agreement on the institute's status and terms for its activities.

Russian Atomic Energy Minister Viktor Mikhaylov said that in the agreement the Russian government pledged to regularly pay its share into the institute fund. Russia's annual contribution is put at about $17 million, or 55 percent of the entire fund.

Mikhaylov said delayed payment by the institute's founder states of their shares had brought some important research programs to a halt.

The 18 founder states include East European and former Soviet countries, Cuba, North Korea, Mongolia and China.

## Economic Issues

### Frozen Social Benefits To Combat Budget Deficit

*MK2410095195 Moscow SEGODNYA in Russian 19 Oct 95 p 2*

[Report by Mikhail Lantsman: "The Government Has Managed To Overpower the Budget Deficit. This Has Been Done, However, by Freezing Social Payments"]

[FBIS Translated Text] Andrey Illarionov, director of the Institute for Economic Analysis [IEA], said at a press conference yesterday that, by the end of summer, some sensational changes of historic significance took place in the implementation of the federal budget. In July, the deficit was reduced to 1.7 percent of GDP, and in August it was virtually done away with, since it went down to 0.2 percent of GDP. Meanwhile, as recently as in the first half of the year, the budget deficit amounted to 4.5 percent of GDP. According to experts of the institute, this has happened for the first time over the past 3.5 years, since January-February 1992. In Andrey Illarionov's opinion, this has dispelled the myth of the seasonal nature of the Russian economy, which, Mr. Illarionov believes, was due not so much to natural causes as to the fits of populism experienced by the government under the pressure of industry lobbyists.

The decrease in the budget deficit has allowed the government to redeem virtually in full its credit to the Central Bank, received in the first half of the year, and to settle a major portion of the state debt contained in current liabilities. In the course of eight months, the budget deficit has in fact been covered completely from non-emissive sources.

At the same time, Mr. Illarionov said that he could not accept the way chosen by the government to increase budget revenues and to maintain its expense component at the appropriate level. According to calculations made by IEA experts, payments overdue to the revenue component of the budget rose from 9 percent in August to 11 percent in September. Therefore, in Mr. Illarionov's opinion, instead of reforming the economy, the government is continuing to resort to the freezing of social benefits. According to the economist, however, it will have to pay for its obligations anyway, and the rate of budget implementation will take "a fitful course."

As a result of the government's opting for this method of making monetary policy more rigid, the real income level of the public in January-September 1995, according to the IEA, fell by 12 percent, compared with the same period last year. Mr. Illarionov said that, when introducing the hard currency band, the government hoped that people would convert their hard currency savings into the ruble equivalent. According to the IEA, however, over four months — from May to September — people have been showing an ever growing interest in keeping savings in hard currency and, conversely, their interest in ruble savings fell markedly. Therefore, Mr. Illarionov believes that the people, who continue to show expectations of high inflation, have thus expressed their lack of confidence in the government's economic policy.

According to the IEA director, the government has failed to keep its main promise — to reduce the rate of inflation to 1-2 percent a month. He forecasts that by the end of the year the monthly rate of inflation will at best amount to 5-6 percent. Mr. Illarionov believes that this will have a decisive significance for both the vote in the Duma on the government's version of the 1996 budget and on the election canvassing by opposition parties.

Meanwhile, IEA Deputy Director Mikhail Dmitriyev noted that the government's 1996 draft budget "is in conformity with life's truth" and will allow the attainment of financial stabilization next year. It has been prepared, however, "at the limit of what is possible." Mr. Illarionov pointed out that the "concessions" that the president and the government seem to be inclined to make now could rule out any prospects for financial stabilization. If, however, according to Mr. Dmitriyev's forecasts, the budget fails to become law this year, Russia will not receive a credit from the IMF in the first quarter of 1996 for servicing the budget deficit, and "people funded from the budget" will be unable to calculate their incomes due to the total lack thereof.

### Author Views Future of Dollar Corridor

*MK2410095395 Moscow KOMMERSANT-DAILY in Russian 20 Oct 95 p 1*

[Article by Vadim Bardin: "Hard Currency Corridor: 'On, On, On'"]

[FBIS Translated Text] The world practice of currency regulation uses many images: a [currency] rate may be floating or fixed; a [currency] corridor may be straight or inclined; there is even a monetary snake. The Russian currency corridor seems to be ready to transform itself into a snake. At least it is already beginning to bite. That is how we can interpret yesterday's statement by Deputy Economics Minister Sergey Vasilyev on the possible extension of the currency corridor rule to cover the first quarter or even the first half of 1996. This statement contradicts the assessments of the acting Central Bank chairperson, Tatyana Paramonova, made public in Washington during the IMF and World Bank session there.

What is the essence of the differences? Sergey Vasilyev thinks the hard currency corridor is wonderful. Exporters ought to thank its creators; without it, the dollar rate "would have sunk to 4,000-4,200 rubles." If exports are growing, this means that "the exporters accumulated a reserve of fat owing to a lower ruble rate." True, Mr. Vasilyev thinks that "a rather rapid decrease in inflation" is a condition for extending the currency corridor into the shining future. This is sensible but clouded.

Tatyana Paramonova, on the contrary, showed that she had no construction superintendent's enthusiasm about the currency corridor. She believes that the rate's dynamics after the New Year should correspond more to the internal rate of inflation, and she refrains from accusing exporters of unearned incomes.

Let us put it straight: The "weight categories" of the debaters (head of the Central Bank or an official of the Economics Ministry) do not compare in the matter of making decisions on the currency corridor's future. Everything attests to the fact that the situation is going to develop "according to Paramonova" even if she is no longer in charge of the Central Bank. This gives hope, the more so because Vasilyev is ready for compromise even if he openly disagrees with Paramonova. He does not rule out after all that, if inflation once again puts to shame forecasters from the Economics Ministry, the currency corridor will have to be tilted, that is to say, its parameters should be made to match the rate of internal inflation.

Thus, it is still unclear what Russian rate fashions are going to be in 1996, but the future configuration of this currency corridor or the one to replace it will be influenced by two main factors: internal inflation and the foreign trade balance.

## Nazarchuk: '95 Grain Harvest Will Meet Needs

*LD2310134695 Moscow INTERFAX in English 1021 GMT 23 Oct 95*

[FBIS Transcribed Text] MOSCOW, Oct 23 (INTERFAX) — Despite the smallness of the grain harvest this year Russia has met its needs for wheat, collecting 32 million tonnes from 24 million hectares, said Agriculture Minister Aleksandr Nazarchuk at an international agricultural conference in Moscow Monday.

The gross grain harvest is expected at 65-66 million tonnes, which is only 63% of the 1986-1990 level, he said. Yields were merely 12 centners per hectare compared to 15.9 in 1986-1990.

Most regions continue to get rid of cattle, said the minister. By September 1 the total cattle herd shrank by 40% compared to 1990, the number of cows by 31%, pigs by 68%, sheep and goats by 37%.

As a result, the protein shortage in the nation's diet has reached 25% and the shortage of vitamins exceeds 50%, Nazarchuk stressed. Some 45% of farms are insolvent and do not have the means for simple reproduction, to say nothing of boosting production.

## Poor Grain Harvest Leads to Heavy Loan Costs

*MM2410113995 Moscow ROSSIYSKAYA GAZETA in Russian 21 Oct 95 p 9*

[Article by Aleksandr Gavrilyuk: "The Poor Harvest Will Have To Be Paid for With Loans"]

[FBIS Translated Text] The record low grain harvests in virtually all the countries of the world and the unprecedented increases in world grain prices — they have more than doubled — have made Russia turn for the first time to internal loans to provide credit for grain purchases under Finance Ministry guarantees.

It is now absolutely clear that Russia's grain harvest will be the lowest in recent decades. The forecasts are that it will be 65-66 million tonnes. There is no question of any interruptions in supplies of bread, the only problem being making sure that it does not become too expensive.

There is no doubt now that this is happening, although Economics Minister Yevgeniy Yasin did say that "every step will be taken to prevent the possibility of higher bread prices." It is unclear, though, what steps the minister had in mind. One thing is clear and that is that they will have nothing to do with the market economy. Primarily because the prices already established for grain purchases in the country are essentially the same as world prices. Peasants now have to be paid nearly one million rubles [R] for a tonne of grain, and this means that under the existing system for calculating the cost of bread, the price per kilogram could pass the R10,000 mark. And that is if you do not build any profit into the price, which is impossible. If you do, by the end of the year the cost will be around R14,000.

So what did the minister have in mind and how do you keep the price of bread at least at the present level? Apparently it is a question of terminology. The point is that for rather a long time the Finance Ministry and the Ministry of Agriculture and Food have been having an academic debates about what constitutes grain. And it is not merely a pedantic dispute, because what lies behind it is money. If you describe grain as raw material, which is what the financial people are insisting on, it is then subject to 20 percent value-added tax, whereas if it is deemed to be food, as the agrarian people suggest, arguing that grain can be cooked and eaten, then the value-added tax would have to be halved. This no doubt is the main way of reducing the cost of a loaf of bread. All else militates in favor of an increase in the price.

Primarily because we have consumed the stocks. Last year the country harvested 32 million tonnes of wheat, whereas the harvest was usually between 43 and 48 million tonnes. Back in May you could buy grain abroad for $100 per tonne and get preferential credit into the bargain, but pride got in the way. Although it was already perfectly clear that there would not be a big harvest this year, and then on top of that came an unprecedented drought. Now grain on the world market is approaching $300 per tonne, what is more there is very little of it, and there is no talk at all of credits. According to Agriculture Minister Aleksandr Nazarchuk, Russia does not have its own funds to pay for imports.

So will we have to buy grain abroad, and if so how much? There are various views. For instance, Vyacheslav Zvolinskiy, chairman of the Federation Council Committee on Agrarian Policy, predicts that we will have to buy 25-30 million tonnes, while others insist on half that figure. Anyway, judge for yourselves, but before deciding how much we will buy we have to decide how much we are going to eat.

In times of plenty Russia would consume 22 million tonnes of wheat, producing 18 million tonnes of flour alone. This year the country will produce 27-28 million tonnes of wheat (not to be confused with grain in general). Eight million of this has to be kept for seeds, another 10-11 million tonnes will have to go to the peasants as payment in kind, around 2 million tonnes will be bought by the alcohol manufacturers — they do not distill alcohol from rye any more, because it produces less alcohol than wheat. That will leave 7-8 million tonnes of wheat. So whether we like it or not we will have to buy 8-10 million tonnes at least. According to the most modest estimates, this will cost around $3 billion.

The situation could be saved by Yugoslav grain, which we heard about from Canada. The prices are acceptable and the terms are good — aside from grain they have no means of paying for our gas. Despite UN sanctions, which prohibit this country from trading — including trading in grain — with our assistance, this was a kind of fallback for us. But really it would have been better if this grain had not been heard about yet, since there is already information to the effect that interested foreign companies are doing all they can to prevent Yugoslav grain from getting onto the Russian market.

Calculations concerning the purchase of our own grain for regional and federal stocks, to supply big cities, the Army, the Internal Affairs Ministry, and the North, also appear vague. Compared with a plan of 8.5 million tonnes of grain, deliveries to federal stocks were only 0.5 million tonnes as of 25 September. The Food Corporation, which is responsible for these deliveries, cites the lack of money, saying it has nothing to pay the peasants for the grain. Many thing are unclear here too. For example, back on 10 March there was a government decree allocating the Federal Food Corporation commodity credit of R2 trillion plus R970 billion in essentially "live" money to buy grain and "other crop growing products." This money could quite easily buy at least 1 million tonnes of grain. We do not know about "other crop growing products," but there is no grain to be seen in federal stocks.

But, to all appearances, the government decree on Russian commercial banks' credits for purchase of food for federal stocks should save the day. Essentially the Federal Food Corporation has obtained a preferential credit of R3 trillion at one-third of the interest rate. Two-thirds are debited to the state. These transactions will be conducted by a pool of banks. According to preliminary data, it will include the ONEKSIM bank, Menatep, and the Industrial Construction Bank.

Anyone who accepts this credit is taking a risk, even at one-third of the bank rate. After all, that is 60 percent. There can be no talk of any profit with grain at this price, even within the country, because there will be none. But if the Federal Food Corporation is unable to repay both the money and the interest, the Finance Ministry will simply take them out of the "agrarian budget."

Nonetheless purchases of grain are being made in the country. They are being made by commercial structures, getting in ahead of state structures in order to sell them on to the state at prices that are not funny at all.

But the possible meeting between B. Yeltsin and B. Clinton at the UN anniversary celebrations gives hope. There could well be a discussion about opening a new credit line for grain purchases.

## International Affairs

### President Kuchma Meets World Leaders in New York

*LD2310202695 Kiev UT-1 Television Network in Ukrainian 1700 GMT 23 Oct 95*

[No video available]

[FBIS Translated Excerpt] The debate on the role and future of the United Nations in fact began with the Ukrainian president's speech. [passage omitted]

Ukrainian President Leonid Kuchma had bilateral meetings with the presidents of Turkmenistan, Hungary, and Belarus, and the Canadian prime minister.

During the conversation with Turkmen President Saparmurad Niyazov, it was noted, in particular, that the problem of indebtedness for natural gas deliveries to Ukraine was resolved this year. They also discussed the construction of railways and other transport systems in Turkmenistan with Ukraine's assistance.

Leonid Kuchma and Hungarian President Arpad Goncz assessed Ukrainian-Hungarian relations as exemplary.

Kuchma and Canadian Prime Minister Jean Chretien discussed, in particular, the prospects for investment of Canadian private capital in the Ukrainian economy. The sides agreed to meet in Kiev in spring of next year.

### Kuchma Satisfied With Bilateral Meetings

*LD2310224095*

[FBIS Editorial Report] Kiev UT-1 Television Network in Ukrainian at 1900 GMT on 23 October broadcast a nine-minute report on Ukrainian President Leonid Kuchma's visit to the New York. There is no video available.

Following his speech at the celebrations marking the 50th anniversary of the UN General Assembly, Ukrainian President Leonid Kuchma is asked by Ukrainian TV to briefly summarize the results of his bilateral meetings with heads of state.

Kuchma says: "First, there really is enormous interest in Ukraine. I understand that there is respect and a desire to hold meetings. There were too many official and unofficial meetings. I have just come from a meeting with the Canadian prime minister. It was very interesting, because Canada possesses a special place in Ukraine's foreign policy since it opened the doors for us to the West and assisted us in every way both politically and economically, as well as by other means so that Ukraine could feel slightly better than it did prior to this. Therefore, I am satisfied with all the results of the meetings."

Later, in a news conference for the U.S. and international press, President Kuchma says: "While in New York at the celebrations to mark the 50th anniversary of the United Nations, the members of the Ukrainian delegation took the opportunity to hold bilateral meetings with their U.S. colleagues. We wanted to reach agreement on treaties signed earlier and speed up the process of their effective and practical implementation. It is a question of time and suits the interests of both states. Ukraine aspires to establish friendly relations and initiate cooperation with other countries on this continent. It is symbolic that the Ukrainian delegation will visit the Latin American countries of Brazil, Argentina, and Chile precisely from New York. We pin great hopes on this visit and on the future development of political, economic, humanitarian, cultural, and informational contacts with the countries of both North and South America.

"This aspiration is not by chance. Ukraine recently received the status of an observer at the Organization of American States and intends to actively deepen cooperation with the members of this organization. We are optimistic about tomorrow, and as Former U.S. President Franklin Roosevelt once said, the only obstacle in the fulfillment of our future plans could be our present doubts. We have no doubt that Ukraine will consolidate itself on the world arena and take up its worthy place in the world family of peoples, with reliable friends and partners on all continents of the globe."

After a visit to Columbia University today, where he was awarded a prize for world leadership, Leonid Kuchma says: "I am deeply touched by this warm meeting that has taken place here and by the distinguished award. It is always difficult to accept an award because, above all, it is an enormous responsibility both before you and the world for all those processes that are taking place today, first and foremost, in Ukraine. First of all, I assess this as an enormous degree of respect toward Ukraine and my people. From this rostrum I promise you that I will be worthy of this award. Once again I express my sincere gratitude to you."

### Black Sea Fleet Commander, Shmarov Disagree Over Division

*LD2310183495 Kiev UNIAN in Ukrainian 1640 GMT 23 Oct 95*

[FBIS Translated Text] Simferopol — Eduard Baltin, the commander of the Black Sea Fleet, does not intend to carry out a single decision of the commander in chief of Russia's navy and the Ukrainian defense minister regarding the transfer of the Black Sea Fleet infrastructure until a corresponding decision is adopted by the presidents of Russia and Ukraine, UNIAN learned from the Black Sea Fleet press center.

The reason behind Eduard Baltin's decision was a telegram from Ukrainian Defense Minister Valeriy Shmarov that said that the plans for building up the Ukrainian navy did not contain the use of the infrastructure of the "Myrnyy" garrison. Valeriy Shmarov noted that it will be expedient to transfer the garrison from the Black Sea Fleet to the ownership of the Republic of Crimea.

The telegram from the Ukrainian defense minister also stressed that "the transfer process should include the necessary preparation of facilities for use in winter conditions."

As the Black Sea Fleet press center told UNIAN, according to the Black Sea Fleet commander, Ukraine is refusing to accept the fleet's facilities out of economic considerations.

## Shmarov: No 'Rush' To Take Control of Military Town

*LD2310225195 Moscow INTERFAX in English*
*1938 GMT 23 Oct 95*

[FBIS Transcribed Text] KIEV, Oct 23 (Interfax-Ukraine) — The Ukrainian Defense Ministry said it will not rush to take control of the town of Mirny, currently controlled by the Black Sea Fleet command.

Ukrainian Defense Minister Valeriy Shmarov, who visited a number of military facilities in Crimea last week, said at a briefing in Kiev Monday that the town is not fully prepared for winter and will not be accepted until all necessary work is completed.

Mirny with a population of about 10,000 people is located 130 kilometers north of Sevastopol, the main base of the disputed Black Sea Fleet.

Earlier, the fleet command announced the termination of funding for the facilities to be handed over to Ukraine starting October 15, including the social infrastructure of Mirny and the town of Novoozyornoye.

Speaking about the future of Mirny, Shmarov said it is of "no interest" for the Defense Ministry, and its leadership believes it expedient to transfer the town to the Crimean authorities.

## Government Delegation's Visit to Egypt Detailed

*WS2410105895 Kiev UKRINFORM in English*
*0814 GMT 24 Oct 95*

[From the "Current Events" feature]

[FBIS Transcribed Text] As reported by the press service of the Ukrainian Embassy in Egypt, a Ukrainian government delegation of experts led by Ukraine's Vice Premier Viktor Pynzenyk has concluded a four-day visit to Egypt.

The delegation visited Egypt on invitation from the Egypt's Minister for International Cooperation Yusuf Butrus-Ghali who is also a co-chairman of the Ukrainian-Egyptian Commission for Economic, Scientific, and Technical Development.

The main aim of the visit was to hold Ukrainian-Egyptian consultations on economic reforms as well as to find ways of further developing trade, economic, scientific, and technical cooperation between the two countries.

On the first day of their visit to Egypt, the Ukrainian delegates were received by Egyptian Prime Minister 'Atif Sidqi with whom they held talks on the present state and perspectives of development of mutual trade and economic cooperation. They also discussed progress in implementation of economic reforms in both Ukraine and Egypt. The Egyptian leader stressed that his country highly valued Ukraine's constructive foreign policy and the Ukrainian government's economic reform policies. He confirmed the Egyptian government's readiness and wish to further develop friendly and partnership cooperation with Ukraine.

Mr. Pynzenyk held two meetings with Mr. Butrus-Ghali, during which they exchanged views and information on progress of social and economic reforms in both Ukraine and Egypt. Having analyzed the situations in the two countries, both Mr. Pynzenyk and Mr. Butrus-Ghali concluded that the two countries are united both by the similarity of the economic problems facing them and the similarity of their governments' approaches to economic reforms.

They also discussed preparation towards the second meeting of the Ukrainian-Egyptian Intergovernmental Commission which is planned for December in Egypt.

The program of the visit also included meetings with Egypt's Deputy Prime Minister and Minister for Planning al-Janzuri, Economics and Foreign Trade Minister Mahmud [Bayyumi], Minister for Public Sector Affairs and Administrative Development 'Ubayd, Minister for Industries and Mineral Resources [Ibrahim]

Fawzi ['Abd-al-Wahid], Finance Minister al-Razzaz, and Chairman of the Central Bank of Egypt Hasan.

Members of the Ukrainian delegation also met with Egypt's Deputy Foreign Minister Goneim [spelling of name as received] to discuss relations between Ukraine and Egypt.

## National Affairs

### Shmarov on Conventional Arms Reduction, Capabilities

*LD2310203895 Kiev UT-1 Television Network in Ukrainian 1700 GMT 23 Oct 95*

[FBIS Translated Text] Adjustments to Ukraine's current military doctrine do not alter its basic essence; as before, it will continue to correspond to the policies of a non-bloc state, which Ukraine still is, Defense Minister Valeriy Shmarov stressed at a briefing at the Defense Ministry today.

[Unidentified correspondent] The state's armed forces are fulfilling their duties successfully at present. The national army feels fairly confident on the eve of the winter period too, the defense minister noted. The housing fund for servicemen has been restored, and sufficient reserves of fuel and food have been created.

The Defense Ministry has now embarked on implementation of a program aimed at demilitarizing the regions most encumbered with armaments. In the first instance, this concerns Crimea, and Khmelnitskiy, Lviv, and Chernigov regions, Valeriy Shmarov noted. The program envisages the military vacating individual facilities, ranges, and other land plots which belonged to it, and transferring them for use in the national economy. The territory of Crimea requires the most work on minimizing the military infrastructure.

Valeriy Shmarov noted at the briefing that Ukraine is continuing to move along the course of planned reduction of its conventional weapons. But this will not affect the general level of the Ukrainian army's defense capability, it was stressed at the Ukrainian Defense Ministry.

### Shmarov To Reduce Military Units in Crimea

*LD2310221095 Kiev UNIAN in Ukrainian 1810 GMT 23 Oct 95*

[FBIS Translated Text] Kiev — "The Crimean Republic has the most complex situation as regards the social welfare of servicemen. The infrastructure that exists today on the peninsula needs to be replaced and considerable funds need to be injected in it," Ukraine's Defense Minister Valeriy Shmarov said at a news conference held at the Defense Ministry today.

According to the minister, it is necessary to go along the path of demilitarizing the peninsula. He said that the military units deployed there will soon be cut from 500 to 350 men.

### Kuchma Appoints New Representative in Crimea

*WS2410110995 Kiev INTELNEWS in English 0044 GMT 24 Oct 95*

[FBIS Transcribed Text] Simferopol, Oct. 23 — President Leonid Kuchma has appointed Mykola Bahrov as the new the presidential representative in Crimea, Oleksandr Dudko, Crimean Entrepreneurs Union president, said Monday [23 October].

The Crimean Parliament confirmed Dudko's announcement although some Crimean deputies said the decree had not yet been signed.

Bahrov was at one time Speaker of the Crimean Parliament. He is currently working in the Simferopol State University. In the past, Bahrov also launched an unsuccessful campaign for Crimean president.

### Kuchma Staff Chief Views National Guard

*WS2310094395 Kiev KIYEVSKIYE VEDOMOSTI in Russian 17 Oct 95 p 4*

[Interview with Presidential Administration Head Dmytro Tabachnyk, by Anatoliy Smetanin; place and date not given: "The National Guard Will No Longer Protect Stores, Motor Vehicle Depots, or Personel Residences"]

[FBIS Translated Text] [Smetanin] Dmytro Volodymyrovych, I would like to ask you, as a men without whom, as we all know, not a single document can leave the depths of the Presidential Administration, the following question: What prompted the need to change the subordination of the National Guard [NHU] at the same time the Supreme Council was to discuss a draft bill on the NHU?

[Tabachnyk] A long time ago the National Security Council [RNB] discussed and examined the need to put thr NHU under the operational command of the president — the supreme commander of the Ukrainian Armed Forces. I thus believe that it is simply groundless to speak about any coincidence or purposeful intention to discuss this issue at the same time as the Supreme Council was to hold a debate on new changes in the law on the NHU.

I would like to say that although I, perhaps, do not bear have a direct relationship to the NHU issue, I participated in the 6 October debate on it as an RNB member. As everybody knows, the RNB comprises the president, the prime minister, and key members of the Ukrainian government. Virtually all RNB members presented their opinions on this issue, including the leaders of all power ministries and departments — the defense minister, the interior minister, and the Ukrainian Security Service [SBU] chief. Prime Minister Yevhen Marchuk categorically supported the change in subordination.

The NHU, in accordance with its law, should perform only precisely defined duties with which it has been charged. Recently, however, considerable forces, means, and personnel of the NHU were distracted from its duties either by the Supreme Council leadership or (which completely contradicted common sense) the economic subdivision chief of the Supreme Council Administration, to carry out tasks which were completely unsuitable for the NHU. Additionally, I would like to point that, as a result of the fact that the NHU was not subordinated to the president, military formations in our country appeared to be under dual subordination. I would also like to emphasize that the law on the NHU was passed almost four years ago. At that time, the institution of the presidency did not exist in Ukraine, and it was the Supreme Council Presidium that performed the functions of a collective state leadership. Moreover, the NHU was established when de jure and de facto the unified Soviet Union and its Armed Forces still existed. This is exactly why the legislators, while adopting the law, paid particular attention to the need to subordinate the NHU to the then highest leadership of Ukraine.

The situation in our country has essentially and historically changed during these four years. The institution of the presidency was introduced and developed — the president heads the executive branch and, according to the Constitutional Agreement [between the president and the parliament] and the Constitution, is the supreme commander. Undoubtedly, the issue of unified command over the Ukrainian Armed Forces and all military formations was long on the agenda. While drafting of this edict [on subordinating the NHU to the president], experts from the RNB Secretariat held a number of consultations with military experts and lawyers. Deputy Prime Minister Vasyl Durdynets, chairman of the Coordinating Committee for Combating Organized Crime, and the minister of justice, who presented the experts' decision, were engaged in the drafting of this document. There is no connection between the recommendations presented by the RNB, the subsequent appearance of the Presidential Edict on the NHU, and the process of drafting changes to the NHU law. Additionally, I would like to note that members of the NHU Military Council themselves asked the president to remove this duality. By the way, world practice shows that no precedent or case of military formations being subordinated to the legislative body — the parliament — exist in any of the 185 states that are UN members.

Taking into account all these opinions and the efficient use of NHU subunits in the protection of Ukraine's sovereignty, as well as with the aim of restoring order and eliminating the possibility of using the NHU for purposes inappropriate for it, the president agreed with the recommendations presented by RNB, and, as supreme commander, subordinated the NHU to himself.

[Smetanin] Those who do not agree with the edict, so to speak, emphasize that it contradicts the articles that are cited in it as its legal foundation....

[Tabachnyk] Article 18 of the Constitutional Agreement says that issues concerning our state's defense and security are resolved by law. In this case, there are no grounds to claim that the presidential edict violates the Constitutional Agreement. I will refer to Articles 3 and 61 cited in the edict. If opponents of the edict, including those from the Supreme Council Commission for Issues of Defense and National Security, speak about certain alleged violations of Articles 2, 18, and 61 of the Constitutional Agreement, one must closely look at these articles. The presidential edict changing the subordination of the NHU was adopted to implement Articles 3 and 61. Article 3 is very simple: The state authority in Ukraine is based on (I am citing it precisely) "its division into legislative, executive, and judicial branches." The NHU, as well as all military formations, is related only to the executive authority, and in any country the national guard is an inalienable attribute of the executive branch.

Article 61 clearly confirms that only the part of Ukrainian legislation that does not contradict the Constitutional Agreement is in force. The division of power and the rights of the president as supreme commander determine the subordination of all military formations to him in Ukraine. I would also like to emphasize that issues of defense and national security should indeed be resolved by law. The change in the NHU's subordination and the process of restoring order within it, however, have by no means damaged national defense and security, and cannot do so. Moreover, in accordance with the Constitutional Agreement, the president is a guarantor of the Ukrainian Constitution and laws and, according to the law, the NHU should protect Ukraine's constitutional system. Its subordination to the guarantor of the Constitution will thus enable the president to perform his duties fully. Moreover, if some military formation was artificially separated from a unified system, the supreme commander would have no possibility of conducting unified and efficient command over all military formations in our state.

I think that the RNB's decision was also prompted by the fact that unhealthy rumors about certain plans to disband the NHU spread after the 20 January presidential edict returning some NHU subunits to the Interior Ministry. Although this was absolutely untrue, it created an unhealthy atmosphere around the NHU, which was understood even by its highest command. NHU Military Council members themselves sent a letter to the president requesting the subordination of the NHU to the supreme commander. This letter was sent approximately six months before the current edict.

I would also like to say that the former NHU commander, Lieutenant General V. Kukharets, positively assessed this step by the president. Furthermore, he himself tendered a report, in which he explained that he would like to change the place of his service, taking into account the new tasks of the NHU.

[Smetanin] The military dictionary says that operational subordination is a temporary subordination of groups, combined units, and units during a period of performing combat tasks. Are we expecting any combat actions? What kind of actions might these be, and against whom?

[Tabachnyk] I would immediately like to note that military experts clearly provide a definition of operational subordination. This edict, however, talks about operational command, that is, the supreme commander can consider and use the NHU as a formation being under his operational command, to perform tasks with which it has been charged, according to the Constitutional Agreement and Article 1 of the NHU law.

I would like to add that it is surprising and shocking that the Supreme Council Commission for Issues of Defense and National Security, which actually supervises the NHU on behalf of the parliament, was unaware that NHU operations included a number of serious violations of the law. I think nobody doubts that draftees serving in the NHU should not protect personal residences, motor vehicle depots, or stores. This not only contradicts common sense, but also current legislation. Even security guards protecting such facilities carry weapons, and those 18- or 20-year-old boys are completely unarmed. Moreover, the Supreme Council commission was completely unaware of the fact (which represented another violation of the current legislation) that an intelligence service was set up within the NHU, charged with tasks which not only contradicted the law, but were also categorically prohibited. Why? Because this is a prerogative of the SBU and its intelligence service.

[Smetanin] According to your observations, has the edict not triggered tension between the Supreme Council and the president?

[Tabachnyk] I have repeatedly heard different assessments and commentaries on the edict, and I think this document has been received normally by a majority of the Supreme Council deputies. After all, the debate on the government's action plan was held after the appearance of the edict, and the plan received a convincing majority of votes — 234 votes in favor and 80 against. Provided that there is a healthy approach — a legal, judicial approach — this edict cannot cause tension, because everybody understands that military formations cannot be under dual subordination and have dual status. I had an opportunity to talk with many deputies representing different factions, also during the hearings on the government's action plan. Except for few people, who inadequately, unhealthily received the edict, the reaction of many people was calm and reasonable. I thus cannot say that the edict created tension between the president and the parliament.

Additionally, it is already clear that the appointment of the new commander, Lieutenant General Oleksandr Ivanovych Kuzmuk, will increase the level of combat readiness and restore discipline within NHU subunits, and not only because a new broom sweeps better. He is simply a younger and more energetic man with great military experience. The NHU is a serious military formation anyway, in terms of its numerical strength and structure, and the appointment of a man who served in uneasy, difficult conditions in Crimea and commanded an army corps over the last two years will only have a positive effect on it. General Kuzmuk has gone through all links of the military structure — from a platoon commander to corps commander. Even the way in which the NHU received its new commander confirmed that the president's decision was correct. There is no unrest within thge NHU, and normal combat training and work are under way. I think that to fan passions around the issue of the NHU means to clumsily try to reap popularity from this. No issue causing disagreements and violating the law exists as such, and let those who doubt this talk with former NHU Commander Kukharets, Military Council members, commanders of NHU combined units and units, and, finally, its officers. The opinion of people serving in the NHU must be heeded. I think it also must be heeded that mothers, while sending their sons to serve in NHU, know that they will learn how to protect the homeland, and they will not guard personal residences, motor vehicle depots, or stores.

[Smetanin] How will the president react if the Supreme Council vetoes his edict?

[Tabachnyk] The president examined the issue of NHU taking into account opinions presented by experts in defense and state legislation, and I think the parliament will have enough common sense to objectively tackle this issue. If attempts to artificially create tensions and "veto" the edict prevail, to put it this way, the reaction from the president, as supreme commander, will be unequivocal: Based on the Constitutional Agreement and the Ukrainian Constitution, the supreme commander will command all military formations in Ukraine according to the principles of unified management and command.

[Smetanin] How do you see the NHU's future? What model — the American, French, Italian, or other model — will we select for our NHU?

[Tabachnyk] I think NHU Commander General Kuzmuk will provide the best answer to this question — the question as to how he sees the NHU. Knowing the opinion of Oleksandr Ivanovych, I would like to say that I am impressed by his decisiveness and wish to transform the NHU into an elite military formation, in terms of its high level of combat readiness, discipline, and high intellectual skills of privates and officers. Nevertheless, I think it will be military experts who will say how the NHU will develop in the future. However, the use of NHU will undoubtedly be precisely regulated by the current legislation, and NHU, as a military organism, will develop according to the legislation. During the RNB debate on this issue, nobody even thought or suggested that Ukraine does not need this formation. It should be preserved in case of certain unexpected circumstances, and perform its primary functions concerning the protection of Ukraine's constitutional system and territorial integrity.

Great experience in using such military units in the world exists. Taking into account the young age and energy of the new commander, I think he will present a new concept of using the NHU based on this experience, as he himself said during a conversation with the supreme commander — the Ukrainian president.

### Kuchma Seeks Inquiry Into Odessa Oil Terminal Work

*LD2410104895 Kiev UNIAN in Ukrainian*
*0945 gmt 24 Oct 95*

[FBIS Translated Text] Kiev, [no date as received] — Ukrainian President Leonid Kuchma has instructed the Cabinet of Ministers to examine the progress of construction of the Odessa oil terminal, and also to work out a comprehensive concept for long-term oil provision for Ukraine. UNIAN learned this from Volodymyr Ryzhov, the president's adviser on industrial matters.

According to Ryzhov, the president is concerned by the state of construction work and its financing at the Odessa oil terminal. "The halt to construction by a decision of the Odessa Regional Council in 1994, unsatisfactory financing of the work from the state budget, and insufficient organizational work by the State Committee for Oil, Gas, and the Oil Refining Industry and the Ukrnaftoterm joint-stock company have led to a situation whereby the government's decision on bringing the first section of the terminal into operation may not be implemented on time," Ryzhov stressed.

The president's adviser emphasized the strategic benefit for Ukraine if construction of the oil terminal is completed. "We will be able to earn money to purchase oil by servicing its transportation to Europe," he said.

### Nationalists Charge Repression, Beatings of Members

*WS2410110495 Kiev INTELNEWS in English*
*0044 GMT 24 Oct 95*

[FBIS Transcribed Text] Kiev, Oct. 23 — A new planned round of repression against nationalists has begun, Congress of Ukrainian Nationalists [CUN] deputy chairman Serhiy Zhyzhko said Monday [23 October].

The CUN central secretariat said it had recently received numerous reports of CUN members being arrested and severely beaten by policemen throughout Ukraine.

Zhyzhko cited several examples of the alleged repression. An Oct. 14 march by the CUN and the League of Ukrainian Youth to commemorate a religious holiday and anniversary of the Ukrainian Insurgent Army's formation was banned in Kharkov without due cause, he said. Two CUN members were severely beaten by Kharkov police that day, Zhyzhko said. According to the deputy chairman, a similar march in Kiev that day took place without incident.

CUN members Oleksandr Zanovskiy and Andriy Trystan were arrested Oct. 16 in Apostolove, Dnepropetrovsk oblast, according to CUN local organization chairman Petro Proskura.

The next day two members of the Stepan Bandera Tryzub (Trident) sports-patriotic organization were arrested together with Ivan Kuzma, chairman of the CUN district organization in Khust, Proskura said. The men were returning from the Organization of Ukrainian Nationalists-Ukrainian Insurgent Army assembly in Kiev, the CUN said. The CUN members were subjected to illegal searches accompanied with caustic profanity in the police station they were taken to. The biggest insult, according to CUN representatives, was that the policemen, including one major, refused to present their credentials or reveal their names.

After the "brutal" treatment, the CUN said, its members were released.

### Internal Ministry Says Protestors Often Violate Laws

*WS2410110595 Kiev INTELNEWS in English 0044 GMT 24 Oct 95*

[FBIS Transcribed Text] Kiev, Oct. 23 — Political parties and public organizations that come to Ukraine's capital are increasingly violating public assembly regulations to attract attention to themselves by any means, the Internal Affairs Ministry reported over the weekend.

In the face of these conditions, law enforcement bodies have taken all measures within their legal authority to maintain public order for Kiev residents, the ministry said.

The latest events in Kiev have shown, according to the ministry, that large concentrations of people with polarized outlooks can lead to civil conflict and mass unrest with unpredictable consequences.

The ministry warned that in compliance with Ukraine's current legislation, participants in public gatherings who commit any violations will be immediately suppressed. Furthermore, the ministry said that those guilty will be held accountable for inciting or joining such actions.

To defuse potential powder kegs, the ministry called on organizers of mass actions to use civilized and legal methods for solving issues, including the controversial ones. The ministry said parties and organizations should work toward accord and mutual understanding.

### New Patriarch Calls For 'Orthodox Rebirth'

*WS2410110295 Kiev INTELNEWS in English 0044 GMT 24 Oct 95*

[Report by Oksana Hasiuk]

[FBIS Transcribed Text] Kiev, Oct. 23 — The Kiev Patriarchate Ukrainian Orthodox Church is working to achieve "an Orthodox rebirth and spiritual renewal of the state," said Patriarch Filaret, newly elected spiritual leader of Kiev and all Ukraine-Rus in the KPUOC, on Monday [23 October].

Filaret was elected by a weekend All-Ukrainian KPUOC Assembly to lead the church. Filaret said his church is ready to lead a "dialogue of love with all Orthodox churches in Ukraine."

Besides the KPUOC, founded by Filaret in 1992, Ukraine has two other Orthodox churches. The Ukrainian Autocephalous Orthodox Church was founded in 1921. It suffered persecution by Soviet leaders in the 1930's and was revived in Ukraine after existing only abroad among Ukraine's diaspora. The Ukrainian Orthodox Church affiliated with Moscow is headed by Metropolitan Volodymyr Sabodan.

According to Filaret, Ukraine must have a united, autonomous church. "If we (Orthodox churches) unite, we will be recognized by the international Orthodox Church," Filaret said.

Filaret said the latest Orthodox Church trends prove that the world Orthodox patriarch may recognize the autonomy of Ukraine's Orthodox Church.

According to the patriarch, the Ukrainian Orthodox Church in the United States was recognized by the eparchy of Constantinople recently and the Ukrainian Orthodox Church in Canada was recognized a long time ago. These churches, according to Filaret, promised to promote the official recognition of the Ukrainian Orthodox Church by the world Orthodox patriarch.

Currently, only the Ukrainian Orthodox Church of Moscow affiliation has canonical status and is recognized by the world patriarch. But the church does not have full autonomy from Moscow. The church Patriarch Volodymyr Sabodan is a member of the Saints Synod of the Russian Orthodox Church.

According to Filaret, his church does not interfere in any political party activity, but "if politicians belong to our church, they have a moral obligation to support it."

Filaret said that UAOC representatives are currently making attempts to get St. Feodosiy's monastery although it now belongs to the KPUOC.

Filaret also said the state should return to the church all property that was expropriated by the communist regime.

The head of the state committee on religious issues congratulated Filaret with his new position, the patriarch said. Although President Leonid Kuchma did not congratulate Filaret on his new office, Filaret responded, "You know, Kuchma is not in Kiev now."

## Economic Issues

### Official Promises Heating, Electricity Despite 'Problems'

*AU2410082695 Kiev HOLOS UKRAYINY in Ukrainian 20 Oct 95 p 1*

[Unattributed report: "We Will Soon Have Heating and Comfort"]

[FBIS Translated Text] According to INTERFAX-UKRAYINA, a decision on structural changes in the management of Ukraine's coal complex will be adopted within a month.

Ukraine's first Vice Premier Pavlo Lazarenko said about this on Wednesday [18 October] in Kharkiv at a meeting with heads of enterprises of the fuel and energy complex. He also stated that, "notwithstanding all the problems in the coal industry, Ukraine will have heating and electricity."

P. Lazarenko spoke in favor of expanding the scope of research in the sphere of gas extraction in Kharkiv and Poltava oblasts. He said that the government intends to "create conditions" for the joint-stock company "Ukrhazprom" [Ukrainian Gas Industry] to increase the volume of gas extraction in Ukraine.

This is what is planned for the future. At the same time, yesterday [19 October], the First Congress of Ukraine's Miners opened in Kiev. During its work, the Concept for the Development of Ukraine's Coal Industry up to the Year 2005 and the Program for Reorganizing the Branch for 1996-97 will be discussed and adopted.

### Minister Sees Prime Task 'Surviving Winter'

*AU2410105695 Kiev HOLOS UKRAYINY in Ukrainian 19 Oct 95 p 4*

[Interview with Oleksiy Mykolayovych Sheberstov, Ukraine's minister of power engineering and electrification, by Vitaliy Chepizhko; place and date not given: "Electricity Generating Is the Reflection of the Economic Reforms in Ukraine"]

[FBIS Translated Text] [Chepizhko] Oleksiy Mykolayovych, Ukraine's electricity generating industry is a vitally important economic artery of our state, but the problem of nonpayment, the shortage of fuel for power stations, and the poorly considered policy on tariffs have placed the industry on the edge of survival. What urgent steps do you think need to be taken to emerge from the crisis?

[Sheberstov] We see our prime task in surviving through the winter of 1995-96. The situation is very serious, and I cannot even find the right words to describe the critical situation in which the industry has found itself. It cannot be characterized in simple terms. Today, it is rather a matter of how to survive the next few weeks.

During the first six months of the current year, the power stations provided 50 percent of the electricity for industrial needs and 67 percent for agriculture free of charge. However, the Ministry of Power Engineering is not a charity: We must purchase fuel and we need funds for this. As a result of the spring floods in the Dnieper and Dniester, we lost almost all of our fuel reserves meant for winter. The Ministry of Power Engineering has no funds to purchase coal, natural gas, or uranium.

The problem of fuel stems from nonpayments. Throughout the history of mankind, people created food and fuel reserves. We, however, are proceeding toward winter without fuel reserves and, therefore, there will be no heating. Power station production is falling catastrophically and the majority of electricity capacities are standing idle. There is a single cause: the failure to pay for the electricity that has been consumed.

The presidential program for economic reform devotes a major place for the electricity generating industry in relations between industries and in the social sphere, but all of us realize that it is impossible to survive without light or heating.

I would like to make a separate point of the tariffs problem. From the very start, the approach has been wrong. Through tariffs, we started subsidizing the population, agriculture, and certain groups of people. However, money was spent on producing kilowatt/hours and somebody must compensate for it. The entire burden was shifted onto industry. Apart from our industry being energy intensive, the rates are also high, and all of this returns to us in the form of prices of manufactured goods, and this is nothing other than self-deception.

Of course, there must be benefits, but they should only be for specific consumers. Take this situation: A truckload of coal costs much and the consumer will take the necessary heating from the electricity network, since electricity is cheap: It is cheaper and more convenient, but this leads to overloading the network; the substations cannot cope with the load, hence the large financial losses.

If we want to rehabilitate our industry, we must immediately change the tariff policy. When fuel prices were lower than those prevailing in the world, industry somehow withstood the burden of tariffs. The prices have now risen close to world ones and have, in individual cases, even exceeded them. As a result, the price of electricity has also increased and the industry has found itself in a critical situation.

[Chepizhko] Oleksiy Mykolayovych, how will the Ministry of Power Engineering build up its relations with the Ministry of Industry since the metallurgical and chemical enterprises have not paid for the electricity that they have consumed, but have earned money abroad with the help of their competitive products....

[Sheberstov] The Ministry of Industry owes us about 19 trillion karbovantsi. The situation is such that we cannot impose sanctions: One cannot disconnect metallurgical combines or machine building factories. The substations of these enterprises provide electricity for kindergartens, hospitals, and residential areas; besides, their production requires a continuous cycle.

The paradox is that, for the debts of the Ministry of Energy, we have to disconnect those enterprises that pay for the energy that they consume. The Ministry of Power Engineering is looking for ways to solve this problem in a civilized manner. In general, there must be a stringent executive and financial discipline.

[Chepizhko] The Ukrainian parliament recently agreed a National Electricity Generating Program until the year 2010. Did the Ministry of Power Engineering take part in its creation?

[Sheberstov] Yes, we did. We drafted our part of the program on our own. We outlined the main course for the development of the industry. Previously, electricity generating provided 40 percent of work for our industry. We had plants, design institutes, and builders working for us. The industry developed from a small turbine to an atomic reactor. At present, the entire industry stands idle, including those industries that used to service us; this is a large interconnected infrastructure. Again, the problem of finance is at the center. How to solve it? We need investment. The National Electricity Generating Program envisages the creation of favorable conditions for investment. An important aspect of the program is that, at last, paths for the development of our own fuel basis have been considered. They say that we have our own natural gas, but it will take much time for it to be extracted. We must count on what we have today.

Here is one example: We have 180 million metric tons of coal-concentration waste that we do not know how to burn. Yet, there are technologies that enable this to be done: They have long been used throughout the world. Besides, we must learn to handle boiler production that we do not have. For this, we need new technologies and funds.

[Chepizhko] Oleksiy Mykolayovych, at what stage is the building of the replacement capacities for the Chernobyl nuclear power station? Who from the Ministry of Power Engineering has given an expert assessment of the agreement with the ABB [Swiss company, expansion not known] on building them?

[Sheberstov] You see, this is such an bizarre story. Nobody has ever asked us anything or sought our advice. We were confronted with the fact. We were told: The building must go ahead. However, on what is the concept of replacement capacities based? At present, 50 percent of the Ministry of Power Engineering's capacities stand idle. For almost two years, up-to-date gas units stand idle! Right, these are not steam-gas facilities, but it may cost between $200 million and $300 million to re-equip them instead of paying billions of U.S. dollars to build a new station. Besides, one should not forget that the gas is imported and that we have to pay the world price for it. We are told that this gas will be cheaper for us. However, where is an agreement or some other document stating that we will get gas at lower prices? I have my doubts as to whether such a document will surface. When a station is designed, the price of the fuel is the major point. Specialists must work on this problem, because the building of a station is a difficult undertaking.

[Chepizhko] How does the Ministry of Power Engineering plan to get rid of such protracted construction projects as the Chyhyryn nuclear power station. In what state is the building of capacities of the new thermal electric power station in Kiev?

[Sheberstov] We are looking for options to be able to build, on the basis of the Chyhyryn construction site, a small station using turbines from Nikolayev. In general, there is one problem: those same funds. The Ministry of Power Engineering has no money. We are looking for an investor. We hope that the reform processes that are under way in the electricity generating industry will attract potential investors.

With regard to building the Kiev thermal electric power station, financing is also the main problem. In the former Union, there were normative documents that regulated relations between the Ministry of Power Engineering and a particular town where such a station was to be built. The budget or the square meter of area being heated were the source of financing. At present, one cannot count upon the budget. The city authorities must decide: If the city needs fuel, taxes must be introduced for Kievans to replenish the financial resources for building the station. We are ready for such cooperation and will tackle this question in a constructive way.

## Oil, Gas Industry 'Concept' Detailed

*WS2410111895 Kiev HOLOS UKRAYINY in Ukrainian 17 Oct 95 pp 1, 6*

[Article by Alla Yeromenko and Volodymyr Skachko: "Independence of the Gas Pipeline, or the Death of Industry"]

[FBIS Translated Text] Having announced the course of market reform in the national economy, the Ukrainian Government, as it should do, began to primarily reform the management system of all economic sectors. As a result, many forms and methods that did not exist in Ukraine before have emerged. Later, however, more and more organizations emerged.

As regards the oil and gas industry, the State Committee for Oil, Gas, and Oil Processing Industry [Derzhnaftohazprom] has put forward its option of structural and — consequently — management reconstruction.

The essence of this concept is the return of all levers of sectoral management to a new committee, and as regards the oil and gas industry itself, the revival of its manageability.

Therefore, the oil and gas industry now requires managers but not administrators guided by the "divide-and-rule" type of psychology. Hence, considering the committee's concept, it is also not worth forgetting this important circumstance.

It is worth pointing out that the concept put forward by the committee has not yet been approved by the government. Precisely due to this fact it is necessary to analyze it.

### Oil Industry: Self-Administration or Helplessness?

The Ukrainian oil industry — extraction, transportation, processing, and sales of oil products — has been independent since the fall of the last year, meaning since the time when the state concluded that it had no money to purchase oil. At the time, nonstate companies began to deal with providing oil products. Nothing reasonable remained for the government to do than to admit that it would have to manage the oil market through laws. Precisely at the time, the government rejected the practice of setting up levels for fuel prices. Next a 20-percent VAT was introduced.

The oil and gas industry, precisely the "Ukrnafta" joint stock company, received (to be more precise, it must give this to the state) a "gift" from the government — the rent or the tax on oil extraction. The same refers to gas extraction.

By the way, all these taxes are fully civilized methods of management in all countries. But they must be balanced in the context of the general policy of sector development. In particular, when in Ukraine the above-mentioned taxes were introduced, it was declared that the state would channel them to finance geological research activities.

In reality, however, the situation looks approximately as follows: Extraction enterprises pay to the state the rent for each extracted tonne of oil and each 1,000 cubic meters of gas. The state quickly utilizes extracted products to meet the demands of national consumers. But oil and gas industry workers receive money for their products — and to be exact the tenth part of the entire sum (if they receive it at all) — in six months. At the same time, the workers of this sector have to continue extraction and geological research activities at their own expense. In practice this means that extracting enterprises issue a long-term preferential credit to the state and repeat all the time that they have no money for research and demand that their own deductions to this end be returned.

Precisely here the Derzhnaftohazprom found an application for itself: With the aim of resolving problems of geological research and increase oil and gas extraction, it proposes to ... restructure all sections of the oil and gas industry.

Surely, the concurrence of circumstances is logical: The Ukrainian Derzhnaftohazprom propositions extremely resemble transformations in the Russian oil and gas complex. At least, similar emphases have been made — the creation of single oil companies and attempts to divide specific elements of gas monopolies.

This was done despite the fact that Russia and Ukraine have opposite intentions regarding their oil and gas complexes. Ukraine is striving to resolve the shortage of energy resources, while Russia is striving to diversify the sources of export [as published]. Surely, the only similar aim is to increase production of oil and gas products.

The Derzhnaftohazprom's concept states: to create a single structure for conducting geological research and prospecting drilling. And this, according to Derzhnaftohazprom head Yevhen Dovzhok, is the aim. In his opinion, as regards the oil and gas complex management, this concept is not directed at its centralization. The committee has plans to manage the complex through controlling blocs of shares of joint stock companies.

### The Ukrainian Option of Vertically Integrated Oil Companies

Such a system of closed-cycle production — "from a well to a gas station" — is practiced all over the world.

Almost all leading oil companies have their own oil transportation and processing facilities, as well as a network of gas stations.

To a certain degree, this system could also be applied to Ukraine.

One condition, however, exists: oil and a potential opportunity to extract it. Ukraine's domestic extraction stands at the level of 4 million tonnes of oil annually. The demands, however, are minimally 10 times as much. Therefore, newly created companies will have to primarily finance oil purchases to process oil in Ukraine. It is still unknown how enterprises dealing with the realization of oil products (joint stock and leased companies, as well as those that were the first to be privatized in the sector) will behave if they have to finance oil imports for Ukrainian oil processing factories. They now feel they are doing well when they sell oil products imported by middlemen.

At the same time, the Derzhnaftohazprom proposes to create single companies (associations or something of the kind) in several regions of Ukraine: "Karpatnafta" in the west, "Ukrshelfnaftohaz" in Crimea, "Poltavanafta," and "Dnipronafta."

Therefore, each company will unite an extraction enterprise (a regional branch of "Ukrnafta," and "Chornomornaftohaz" in Crimea), a portion of oil transportation means and processing industry (one or two oil processing enterprises), and a number of regional gas stations and oil storage depots (before they belonged to "Ukrnaftapradukt").

Some joint stock enterprises will also be included in the funds of these associations (blocs of shares that were for some time remained state property). The Derzhnaftohazprom intends to leave the management of this stock and correspondingly of these associations to itself.

This is the approximate organization of the oil industry.

This concept does not state how the Derzhnaftohazprom is going to manage oil associations.

A question arises immediately: Why was the committee unable to manage the sector when all enterprises were state property and had to report to the Derzhnaftohazprom? After all, this reduction in geological research began long before corporations and joint stock companies were established. According to the complaints by the workers of this sector, the absence of money and nonpayments — not management — were almost the most important reason for this reduction....

### A Single Gas System? It Must Be Urgently Split!

As regards the gas industry, the proposed type of restructuring is based on an opposite principle (compared with oil restructuring): In place of the existing single gas system, its dispersion is proposed.

According to the Derzhnaftohazprom concept, this is precisely the way to "lift the burden" from the "Ukrhazprom" which now extracts, transports, preserves, and distributes gas among consumers.

To be exact, the "Ukrhazprom" is not directly mentioned in the text of the concept. Workers of the gas industry, however, understood that they are affected by implication, and, understandably, are not happy, and not only because they will lose their monopoly.

As regards this fact, Derzhnaftohazprom head Yevhen Dovzhok said that the "Derzhnaftohazprom leadership," who do not personally extract gas, do not like management reform. He said that there is another opinion in the provinces. But it turned out that not all enterprises in provinces support Derzhnaftohazprom the way Yevhen Dovzhok would like.

The authors of the concept intend to create specific enterprises to deal with gas extraction, transportation, and preservation. The regional distribution of gas among consumers is not even mentioned here. Of course (in any case, it is difficult to imagine another option), this function will remain solely in the domain of the "Ukrhaz" corporation. Then the "Ukrhaz" will become almost a single enterprise to which transformations in the sector would not be directly applied. Although this does not at all imply that regional gas enterprises "will be bored to death during reform."

Therefore, having split the "Ukrhazprom" system, the committee members at the same time think, of course, that by doing this they will resolve "the problem of geological research." Anyway, if the "Ukrhazprom" is not going to extract gas, it is also not going to "shout loudly" about such problems.

Even workers of the gas industry do not yet realize how specific subsections of the split-up gas system will coordinate their activities. But what will the split of a single system — given the current situation in Ukraine — imply? It is not difficult to envisage this.

### "Ukrhazprom:" Yesterday and Today

The annual productivity of the gas transportation system (according to data on gas pipelines at the Ukrainian border) is 230 billion cubic meters of gas. Its daily gas transit capacity is over 700 million cubic meters.

Figuratively speaking, this entire complex resembles a system of "connected vessels" [spoluchena kolba] and makes it possible to timely regulate the pressure and distribution of gas. For example, an accident happens in a gas deposit or gas pipeline; hence, it is clear that the gas pressure is either reduced automatically or manually to prevent the next accident. Undoubtedly, such actions affect the pressure in a single gas network — both the distributional and export gas networks in Ukraine (after all, gas pipelines of all countries are interconnected). Given such circumstances, the "Ukrhazprom" takes measures. For example, it timely withdraws a certain amount of gas from gas basins and by doing so regulates the gas system pressure.

The "Ukrhazprom" provides up to 18 percent of Ukrainian total annual gas requirements. Last year, the amount of gas extracted in Ukraine stood at 18.3 billion cubic meters.

The "Ukrhazprom" accounted for 14.5 billion cubic meters. Consumers consumed a total of 92.4 billion cubic meters of gas.

Another example: Last year and at the beginning of 1995 (over almost five months of 1995), Turkmenistan did not deliver gas to Ukraine (the reasons for this nondelivery are not the current subject). But consumers did not feel this primarily because the "Ukrhazprom" utilized the standby gas from subterrenian reservoirs. Second, it had the opportunity to partly cover the needs for gas by gas extracted in Ukraine.

Naturally, this system has been explained in a too simplified way, but in essence everything takes place this way.

In addition, due to a lucky touch by state officials, the "Ukrhazprom" now has four legal reasons for losses: It pays the difference in prices to the [Russian] "Gazprom" ($30 for each 1,000 cubic meters of gas) at the expense of the minimal charge for transit services; it transports gas to Ukrainian consumers from the Russian border almost free of charge (up to $10 for each 1,000 cubic meters of gas); in fact, it grants loans to consumers the majority of whom cannot pay for the consumed gas; and it also sells gas which it extracts in Ukraine according to fixed prices in which real expenditures are not considered.

Now let us imagine the situation when in the place of one "Ukrhazprom" there are at least three structures: One extracts gas, another delivers it, the third preserves gas in reservoirs and only deals with gas transit.

Undoubtedly, it will occur that all these sections and their elements will partly or entirely be property of investors. It is no secret that the Russian "Gazprom" has an unusual interest in specific segments of our gas complex. It is still being fed by promises that it will be given a portion of stock in enterprises when they are privatized. The State Property Fund watches over this situation to ensure that investors have no opportunity to indirectly influence an enterprise through this portion of stock, since it is undesirable.

If a single gas system is divided, this will simplify the task of supervising it.

### Who Will Supervise Gas Transit?

It is unknown how this "Gazprom" or any other company will behave, but the most simple thing is to do the following: To purchase (directly or through a middleman) a controlling block in shares; perhaps to establish a joint venture as the Russian "Gazprom" does in Europe.

The greatest interest of the "Gazprom" lies now in gas transit, consequently, in trunk gas pipelines and subterrenian gas reservoirs. Therefore, the simplest thing is to purchase stock in "Ukrhaztranzit" which the Derzhnaftohazprom intends to set up based on the current "Ukrhazprom" transportation sections. The matter is not only the profits an investor will receive from his stock. Since an owner of the trunk gas pipeline receives a payback only on exported gas, this will certainly affect the stability of the gas distribution and extraction system in Ukraine. It is interesting that not only specific oil and gas companies intend to join the system of gas transit through Ukraine. The World Bank also has an interest in demonopolization of "Ukrhazprom." Therefore, having issued a credit in exchange for stock, it will also choose the gas transit sector. As regards the fact that the bank is not a real economic entity, it will certainly make this stock available to a specific company (or several companies). At the same time, the establishment of an autonomous gas transit system could influence gas extraction in Ukraine.

### "Despite All Your Efforts, You Will Lose"

Given the creation of several companies and the vacuum of regulated legislation in this sphere, the natural reduction in gas extraction in Ukraine — to some extent — could lead to its decline or to a considerable increase in its value. In addition, private companies will hardly agree with fixed prices (as for "Ukrhazprom" and "Ukrnafta") and obligatory sales of gas in Ukraine.

Companies will look for real buyers, but not gas consumers. In Ukraine, however, nonpayments are an old habit. The above-mentioned "Ukrhazprom" pays for gas imports. Will this be done by an enterprise that will profit from gas transit? In theory, it is even a good thing that there will be no another option than to pay for everything. But modern practice differs from intentions. In addition, if for example even the Russian "Gazprom" begins to finance gas extraction in Ukraine, it will do so not for the reason or creating a Russian gas competitor. Hence, it is not excluded that at some time, Ukrainian deposits will be mothballed (in addition, gas extraction in Ukraine is more expensive than, for example, in Russia).

It is known that today Ukrainian gas is a reserve and is utilized for municipal and everyday needs and for maintaining gas pressure in the gas network in case gas deliveries are disrupted, or the volume of gas deliveries is urgently reduced, or accidents occur. Will there remain an opportunity for such a maneuver if the single gas network system is divided between various owners? The "Ukrhazprom" officials assure that such an opportunity will exist.

Such prospective developments are theoretical now. But they could become a reality, the "Ukrhazprom" officials state, if a concept of reforming the sector is adopted in the proposed form.

This does not imply at all that the Russian "Gazprom" or other companies cherish perfidious intentions regarding Ukraine. For them, such tactics are nothing but normal business.

As regards the Ukrainian oil and gas sector, the current issue is not to whom it reports formally, but who finances its development. To resolve such a complicated issue, at least four conditions are required: a wish, skills, money, and laws. Perhaps this statement is too categorical, but the failure to fulfill or meet at least one of these conditions leads to the current "anomalies." The Derzhnaftohazprom is striving to manage the sector, but it does not know how to do so (or does not want to tell about it); the state is concerned about the sources to provide energy resources, but has no money to purchase them; oil and gas enterprises strive to become independent, but do not have enough proper managers; the government and the legislature fail to specify the laws for the oil and gas market.

Against such a background, perhaps a new concept of the oil and gas sector — if it is regarded as a wish — is positive. But this strongly resembles the "independence of a separate pipeline..."

## Belarus

### Criminal Case Initiated Over Sep 12 Balloon Downing

*LD2310120595 Moscow ITAR-TASS in English 1116 GMT 23 Oct 95*

[By Aleksandr Lyushkevich]

MINSK, October 23 (Itar-Tass) — A criminal case was instituted over the balloon downing in Belarusian air space on September 12, which took the lives of two U.S. nationals, says a statement by the republican Foreign Ministry here on Monday.

According to earlier reports, a state commission was set up by the Belarusian president's decree to investigate the circumstances of the accident.

Independent international aviation experts from the United States and Germany, invited by the Belarusian side, actively participated in the investigation into the reasons for the accident.

The republican government ensured full access to the international experts to all materials and documents concerning this tragedy. Work is now in progress over the final document on its reasons, which will be drafted in full compliance with operating norms and rules of the International Civil Aviation Organisation.

The Foreign Ministry statement notes that the republican government is interested in receiving objective and unbiased results of the investigation and is ready to hold, at an appropriate stage, a joint meeting of state and international expert commissions.

The government also intends to treat with trust findings of the independent international experts. The Belarusian side expresses interest in cooperation with the United States in drafting measures to prevent incidents with unidentified aircraft objects.

### Minsk Urges Lifting of Iraqi Sanctions

*LD2310231495 Moscow INTERFAX in English 1717 GMT 23 Oct 95*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Foreign observers who attended the Iraqi referendum noted full support of the Iraqi people to the policy of Iraqi President Saddam Husayn, deputy head of the Belarussian President's staff and head of the presidential press service Vladimir Zametalin told an exclusive interview with Interfax.

In the words of Zametalin, his Baghdad visit aimed to monitor the national referendum that prolonged the powers of President Husayn for seven years. According to Zametalin, the referendum was attended by some 60 representatives of mass media, who could observe the referendum progress freely and without any pressure.

The Iraqi leadership offered the broadest possibilities for communication of foreign representatives with the electors so that they maximum objectively convey the Iraqi situation to the international public. In his words, the observers had a common conclusion: "the plebiscite was democratic, and the people fully supports the referendum results, under which 99.6 percent of electors supported the policy of President Husayn that aims at a socially- oriented Iraqi state."

Thus, "the policy on Iraq carried out by the UN and the US since 1991 is now a legalized isolation of the 18-million-strong people from the international community," said Zametalin. The core of this policy "is the intention to control 60 percent of the world oil, which belongs to the Iraqi people and of which this people would like to dispose independently," said the official. "This is the solution of the so-called mystery of isolation of Iraq and its people from mankind," he added.

The high-ranking Belarussian official described as immoral the economic embargo against Baghdad, and voiced the need for the "soonest large-scale consolidation and expansion of inter-state relations and trade and economic ties between Minsk and Iraq. If the United States really plans to install its nuclear reactors in North Korea, why cannot Russia or Belarus do the same in Iraq?"

In the words of Zametalin, "if the world politics is built on fulfillment of global interest of one state to the prejudice of interests of other states and peoples, such a policy results in deep disbalance of inter-state relations and provokes force measures of the international community, which prompts confrontation between people."

Commenting on his meeting with President Husayn, Zametalin told IF the almost-three-hour conversation focused on prospects for Belarussian-Iraqi cooperation in trade and economy. They outlined a project of Iraqi assistance to Belarus in the elimination of Chernobyl aftermath.

"The Belarussian authorities welcome the sincere striving of Baghdad to help. They are very grateful to Iraq for this," said Zametalin. "Western nations, which are constantly speaking of the need to observe human rights and humanize inter-state relations, have not rendered any substantial aid to the Belarussian people which was most affected by the Chernobyl catastrophe," he added.

The official reported his meeting with Iraqi Vice-Premier Tariq 'Aziz which discussed the establishment of bilateral diplomatic relations. In the words of Zametalin, "this will be a major step in Belarussian fulfillment of its state interests in the Middle East."

According to Zametalin, 'Aziz is ready to visit Minsk in the near future to meet President Lukashenka and other officials. These meetings are expected to focus on a program of Belarussian-Iraqi cooperation.

## Moldova

### PFDM Backs Students' Strike, Calls For General Strike

*AU2310123295 Chisinau BASAPRESS in English 1930 GMT 21 Oct 95*

[FBIS Transcribed Text] Chisinau 21/10/1995 (BASA-press) — The Moldovan Party of Democratic Forces (PFDM) issued a statement about its support for the striking students and teachers. The PFDM demands that strikers be provided with all necessary means to hold the strike and that Parliament debate the socio-economic situation in Moldova and adopt a decision regarding Government disrespect for the Constitutional Court's decision. It also demands cancellation of "the illegal decision" on privatization of the Savings Bank and some modifications to the Land Code to insure economic reformation. "The PFDM Permanent Board calls on all Moldovan citizens to join the general strike." It also considers necessary to initiate a dialogue between all parties, movements and other formations which support the strike and are interested in overcoming the present crisis.

### Russian General Calls Dniester Situation 'Stable'

*AU2310123695 Chisinau BASAPRESS in English 1930 GMT 21 Oct 95*

[FBIS Transcribed Text] Chisinau 21/10/1995 (BASA-press) — General Valeriy Yevnevich, commander of the Dniester-based Russian mobile troops, thinks the situation in Dniester is stable. "If the situation in the region were tensioned to the maximum, the Defence Ministry would not leave me to go on vacation," stated Yevnevich to the Moscow newspaper MOSKOVSKIY KOMSOMOLETS. "Someone is just trying hard to present the situation in the Dniester Republic as getting out of control. This would suit only those forces which want to come to power under the cover of guarantees to bring order," said General Yevnevich. In his opinion, there is no tension about the Russian troops' weapons and munitions earlier referred to by General Lebed who said this is the main destabilizing factor in the region. "All weapons are in Tiraspol under the control of the motorized infantry division," said Yevnevich saying that the disposal of old munitions stored in the Colbasna depositories is reaching an end.

Also, Yevnevich said that he liquidated the Tiraspol garrison's special subunit "as foreign citizens worked for it." The subunit itself had former militiamen, but "I as a soldier need infantrymen, tank motorists and artillery men," said Yevnevich.

## Kyrgyzstan

### PRC's Li Peng Holds Talks With Prime Minister

*LD2410095795 Moscow ITAR-TASS in English 0846 GMT 24 Oct 95*

[By Marat Abdulkhatin]

[FBIS Transcribed Text] BEIJING, October 24 (Itar-Tass) — "China hopes that the border problem with Kyrgyzstan will be resolved through joint efforts," Chinese Premier Li Peng said during talks with Kyrgyzstan Prime Minister Apas Dzhumagulov, currently paying an official visit to China.

"China and Kyrgyzstan," Li Peng noted, "have a one-thousand-kilometres-long common border," he pointed out. "It must be turned into a border of peace and friendly cooperation between the two countries and peoples."

"Not much time has elapsed since the establishment of diplomatic relations between the two nations. In spite of this, constant contacts between the leaders of the two states and friendly exchanges between them have contributed to deeper mutual understanding and to the consolidation of bilateral cooperation in the political, economic, and cultural domains," the Chinese Premier stressed.

Touching on commercial and economic cooperatin, Li Peng noted that the two countries possessed huge potentialities to promote it. "The Chinese government will encourage economic relations with Kyrgyzstan and will promote them in various areas, including border trade," he added.

"Kyrgyzstan attaches great importance to the development of good- neighbour and friendly relations with China," Dzhumagalov stated. "We support and recognise the government of the People's Republic of China as the country's only lawful government and regard Taiwan as a part of Chinese territory," he noted.

The Sino-Kyrgyz talks were rounded off by the signing of several documents, envisaging the expansion of cooperation between the two countries in trade, education, science, and technology.

### Parliament Proposes Akayev For Another Term

*LD2410112695 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 0600 GMT 24 Oct 95*

[Resolution of the Legislative Assembly of the Supreme Council of the Kyrgyz Republic on proposing candidatures for presidency of the Kyrgyz Republic; date not given—read by announcer]

[FBIS Translated Text] In accordance with Part 1, Article 8, of the law of the Kyrgyz Republic on electing the president of the Kyrgyz Republic, the Legislative Assembly of the Kyrgyz Republic resolves: To nominate Askar Akayev to be elected president.

[Signed] Daniyar Usenov, deputy chairman of the Legislative Assembly of the Supreme Council of the Kyrgyz Republic

## Tajikistan

### IAEA Experts To Assist With Aging Nuclear Facilities

*LD2310170595 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 23 Oct 95*

[FBIS Translated Text] Consultative work under the aegis of the International Atomic Energy Agency (IAEA) on the problems of security, radiation, use of radio-active material, and the work of enterprises which treat and mine radio-active elements took place from 9 to 15 October in the Kazakh capital Almaty. The head of the government committee of the Tajik Republic's agro-industrial complex, Gaforkhon Mukhitdinov, was leader of the Tajik delegation. On his return, he answered the KHOVAR news agency correspondent's questions.

Problems of control over the processing of radio-active materials and their storage are very important for our country as well, he said. It is no secret that much of the content of the former Soviet Union's nuclear weapons was produced in its time at the Vostokredmed plant in Chkalovsk in our republic. Therefore, it is no accident that the 50th anniversary of this plant was celebrated the same day as Russian Atomic Industry Day.

It must be said that many mines and plants have been closed for many years because of intensive exploitation of natural resources Mukhitdinov continued. Now the plants are using raw materials from neighboring countries. The problems discussed at the meeting thus also directly concern our country. In addition to representatives from all the central Asian countries, delegations from the United States and France and representatives of the IAEA took part in the meeting.

The IAEA representative to the central Asian countries, Mr. Stegnar gave a positive assessment of the storage and control of radio-active materials in Tajikistan. Agreement was reached that the organization will render technical help to Tajikistan on the storage of radio-active material. At the beginning of next year, experts from the IAEA will visit our republic, familiarize themselves with the work of Vostokredmed, and advise Tajik experts.

### Islamic Gunmen Continue Cross-Border Operations

*LD2410112095 Moscow ITAR-TASS in English 1045 GMT 24 Oct 95*

[By Andrey Yurkin]

[FBIS Transcribed Text] MOSCOW, October 24 (Itar-Tass) — Armed groups of the Tajik opposition do not reduce their operations in the Badakhshan direction, Colonel-General Andrey Nikolayev, director of the Federal Border Service, said in an interview with Itar-Tass here on Tuesday.

Commenting on the situation on the Tajik-Afghan border, he noted that the leaders of the Tajik Islam Revival Movement (TIRM) try to complete the lifting of their armed groups before passes are blocked by snow drifts (in 12-15 days), instigating them for armed provocations. According to reconnaissance data, the general noted, a group of 60 gunmen arrived at the Afghan village of Barchid. It is bracing to worm their way into Tajikistan. [as received]

Besides, part of the reserve at the Badakhshan front of the TIRM (one battalion) plans to advance, in the near future, from the city of Tulukan to the Tajik-Afghan border through the Tangshev gorge for subsequent crossing to mountainous and then flat lands of Tajikistan.

According to available information, the director noted, TIRM gunmen, stationed behind the Afghan border near the villages of Gumay and Barchid and on the Tajik territory in the Yazgulem gorge, intend to attack the Dashati-Yazgulem, Shipad and Rovand border posts as well as motor convoys.

Available information prompts a conclusion that this operation is planned as joint actions by gunmen stationed on the Afghan and Tajik territories.

Gunmen do not stop their attempts to infiltrate into Tajikistan for subsequent concentration of their forces in the Garm district.

Nikolayev noted that the situation in Tajikistan remains tense also due to the fact that TIRM leaders disregard the achieved ceasefire understandings and try to overthrow the present power in the republic by force.

However, borderguards, called upon to ensure security of southern frontiers of the Commonwealth, fulfill with honour their tasks and are ready to rebuff aggressive actions by the armed Tajik opposition along the entire line of the Tajik-Afghan border, Nikolayev stressed.

## Uzbekistan

### Karimov Speaks About Regional Stability at UN

*LD2310224495 Moscow INTERFAX in English 1717 GMT 23 Oct 95*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The positive processes of promoting integration and strengthening mutual trust are becoming irreversible, Uzbek President Islam Karimov said in his speech at the jubilee session of the U.N. General Assembly in New York City.

Karimov noted the "special importance" of preventive policies in international affairs and stressed the need to increase their role.

He pointed out that often the international community is too late to respond to conflicts and does so "after the fire of armed confrontation has already broken out." Karimov believes that the time has come to create effective mechanisms of early prevention of conflicts, especially inter-ethnic ones.

The Uzbek president said it would be expedient to increase "forcible methods" in U.N. peace-keeping practices which, he believes, often prove to be more effective than "endless and futile" negotiations.

As an example, Karimov cited the interoperability of U.N. and NATO forces in Bosnia. He pointed out that the authority of the U.N. security Council could be used as a guarantor of "absolute objectivity" in order to avoid "unilateral approaches" and "double standards."

Speaking about the situation in the CIS, Karimov urged the international community not to stay on the sidelines and get engaged in the ongoing processes in ex-Soviet republics, and provide assistance and support to New Independent States which have embarked on the path of democratic development.

The Uzbek leader specified that this support should be "not only material and financial, but primarily moral and political" so that CIS countries could carry out their reforms and accelerate their integration into international political, economic and financial institutions.

He focused particularly on the questions of regional security and stability without which, as he pointed out, it is impossible to improve the international climate as a whole.

He praised the results of the Central Asia security summit that was held in Tashkent in September, adding that it confirmed that "the path to global security goes through regional security." He also urged the countries bordering on trouble spots to show "mutual understanding and interaction" in order to strengthen peace and stability.

He believes such cooperation is critical to Central Asian countries which possess enormous natural resources, but "are turning into an arena of confrontation between geopolitical and economic interests and ambitions of many countries."

Karimov condemned the 17-year-old war in Afghanistan as a real threat to peace and security in Central Asia and the rest of the world. "This protracted conflict has brought not only numerous sufferings to the Afghan people, but also become a source of international terrorism, drug-trafficking and illegal arms trade, and further aggravated the already tense situation in neighboring Uzbekistan," he said.

The president thinks the solution to the Afghan problem should be looked for "inside Afghanistan" and warned against outside interference.

He urged the U.N. Security Council to impose an arms embargo on Afghanistan, irrespective of the trade partner. "Afghanistan should become not a place of confrontation, but a region of peace and stability," he added.

The Uzbek leader noted that Central Asian countries, including Uzbekistan, are interested in implementing "promising" projects to build railways and motor roads through the territory of Afghanistan to reach the Indian ocean.

He believes this will engage "millions of Afghan people" in peaceful work and provide the basis for establishing new trade and economic ties. Moreover, the engagement of Afghanistan in regional cooperation will "in principle" change the geopolitical realities in this "extremely tense" region of the world, he added.

Karimov expressed concern about the growing arms trade, especially in Central Asia and about the fact that "many countries consider it as a profitable business and nothing more than that."

"Many countries do not even try to hide the fact that arms trade has become one of the main source of currency for them, and do not realize against whom these weapons may be turned tomorrow and for what purposes they may be used," he said.

What is "particularly alarming" is that sometimes commercial interests gain the upper hand in the implementation of projects involving nuclear technologies, no matter what peace statements may be used to cover such actions, the president noted.

He called for "certain international sanctions" to promote non- proliferation and ensure the earliest signing of the Comprehensive Test Ban Treaty.

### Akhmedov Signs Military Cooperation Deal in U.S.

*LD1810190295 Tashkent Uzbekistan Television in Russian 1400 GMT 18 Oct 95*

[FBIS Translated Excerpt] The signing of a memorandum at the Pentagon on mutual understanding and cooperation on issues of defense and military relations between the Uzbek Defense Ministry and the U.S. Defense Department has become one of the main political events of the past few days.

Uzbek Defense Minister Rustam Akhmedov has been on an official visit to the United States.

As a result of the step-by-step peacemaking policy being conducted by Uzbekistan, its positions as a guarantor of peace and stability in the Central Asian region are growing stronger. The years of independence have become a time for comprehending the role that Uzbekistan has assumed in the world community. They have shown how high is our country's aspiration to conduct a dialogue in the field of politics, economy, and culture and how quickly Uzbekistan is adapting on the world arena. Cooperation in the field of defense and military matters is developing. An example of this is our relations with the United States, and particularly, the visit of U.S. Defense Secretary William Perry to our country and the visit paid by Uzbek Defense Minister Rustam Akhmedov. [passage omitted]

After the signing ceremony, the defense ministers of the two countries, Rustam Akhmedov and William Perry, gave a news conference for representatives of the media. William Perry spoke of Uzbekistan as a center of stability and calm in the region. He emphasized our state's developing role on the world arena. Rustam Akhmedov noted that Uzbekistan will follow humane principles in its foreign policy, developing cooperation in the name of the common good and of progress with leading states of the world. The aim of this is to serve as a guarantor of mutual understanding and as a new stage of relations between the two peoples, which started when Uzbekistan acquired its independence.

### Article Urges Russian Cooperation in Energy Sectors

*LD2010212795 Tashkent NARODNOYE SLOVO in Russian 19 Oct 95 p 2*

[FBIS Translated Text] The use of nuclear energy for peaceful purposes and the needs of the national economy were the subject of the international conference

Promising Materials and New Technologies, which has opened in Tashkent. It is being held by the thermal physics department of the Uzbek Academy of Sciences, the State Committee for Science and Engineering, our country's Ministry of Power and Electrification, and the Nuclear Power Ministry of the Russian Federation. Scientists, heads, and well-known specialists from scientific-research institutes working in liaison with specialist enterprises in Uzbekistan and the Russian Federation are participating in the conference.

When opening the conference, Pulat Habibullayev, chairman of Uzbekistan's State Committee for Science and Technology, stated: "The twentieth century is the century in which we developed nuclear energy, which has given humanity colossal productive force and has become one of the main motors of scientific and technological development." It is no accident that when carrying out economic reform, our country's leadership emphasizes development and assimilation of new technology. The achievements in thermal physics are already being used in many spheres of production, in medicine. Further development of this area will be impossible without integration in the field of science.

Uzbekistan, like Russia, has great scientific potential and our scientists have won world recognition for their work. Therefore, joint efforts in search of new technology would produce good results for the national economy of both countries.

"The conversion process, which is continuing at full speed in Russia, has also affected the nuclear sector," Victor Mikhaylov, Russian atomic energy minister, said at the conference. "Using nuclear power for 'peaceful' purposes will raise the quality of industrial production. So the role of fundamental science is all too important in this area."

"The exchange of new technology, research, and ideas between the scientists of Russia and Uzbekistan will be mutually beneficial. The times require it. Nuclear energy is not only economically advantageous, it is the cleanest method ecologically, given, of course, that all the technology for its use is applied," Valeriy Atayev, Uzbekistan's minister of power and electrification said. "There is great demand for energy in our country. At present, we are producing enough at existing thermal and hydroelectric power stations, and we even export some to neighboring countries. We should note that energy consumption at our enterprises is twice or three times higher than at similar enterprises abroad. By lowering consumption, we would create very big reserves, which we should use. At the same time, much work is being done to use other energy sources, for example, solar energy. Cooperation with Russian scientists would allow us to up-grade this work."

As the participants of the conference pointed out, cooperation may be possible in several areas. In addition to fundamental science, it would be useful on exchanges of the latest technology. Of great interest for both Russian and Uzbek producers, for example, would be the development of fiber optics and new-generation accelerators, plus development of new methods of producing purer substances. Preliminary agreements have been reached on many of these issues around which mutually beneficial cooperation between the scientists and power engineers of the two countries will be developed.

## Azerbaijan

### Aliyev's Contacts in New York Reported

*NC2310175795 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 21 Oct 95*

[FBIS Translated Text] President Geydar Aliyev is in New York to attended the ceremonies marking the 50th anniversary of the United Nations. He met with the representatives of the Azerbaijani community last night and briefed them in detail on the social and political situation in our Republic and the work the Republic's leaders have carried out to resolve the dispute between Azerbaijan and Armenia.

President Aliyev held talks with [Greek] President Konstandinos Stefanopoulos today. Meanwhile, UN Secretary General Butrus Butrus-Ghali held talks with him at the UN headquarters. President Aliyev will hold talks with the heads of state and government leaders of the Netherlands, Pakistan, Estonia, Norway, and Israel tomorrow. Aliyev is expected to address the UN General Assembly on 22 October. Later, he will hold talks with President Bill Clinton.

### Aliyev's Son: Country 'Will Never Be Anybody's Colony'

*NC2310143295 Baku TURAN in English 0836 GMT 23 Oct 95*

[FBIS Transcribed Text] Baku 23/10/95 TURAN — President Aliyev's son, SOCAR's [State Oil Company of Azerbaijan Republic] vice-president, Ilham Aliyev, said Azerbaijan's basic political purpose is maintenance and strengthening of the state independence. "Nobody and nothing can prevent us from achievement of this aim", Ilham Aliyev said October 22 on television.

Ilham Aliyev was broadcasted on special Azeri television program for the nominees balloting for the majority districts.

"Azerbaijan will never be anybody's colony anymore. Azerbaijan will never agree with deployment of foreign military bases on its territory", son of Azeri President pointed out.

Presenting basic points of its pre-election platform, Ilham Aliyev noted in order to overcome the economic crisis it is necessary to attract foreign investments and accelerate privatization.

"It will be difficult to transfer to the market economy until the property belongs to the state", he said. He also said the resources that Azerbaijan will receive from implementation of the "contract of century" will help to settle many social problems of the republic.

Ilham Aliyev, born in 1960, is since 1994 vice-president of Azerbaijan's State Oil Company.

## Georgia

### Shevardnadze Interviewed on Economy, UN

*LD2310133495 Tbilisi Radio Tbilisi Network in Georgian 0604 GMT 23 Oct 95*

[Studio interview with State Council Chairman Eduard Shevardnadze by correspondent Nato Oniani — live]

[FBIS Translated Excerpt] [Oniani] Good morning. We present to you an interview with Eduard Shevardnadze, the Georgian head of state and chairman of parliament.

Economic life last week was again marked by the stability of the lari. This was noted promptly by prestigious financial organizations abroad. The implementation of their recommendations has led to the economic success of many countries in the world.

[Shevardnadze] Thank you. Good morning. Apart from the election campaign, the pace of political and economic life in the country last week was determined by the progress of monetary reform and the signing of the new constitution. The signing of the constitution has completed the procedure of its enactment. The completion of the process of the constitution's enactment has marked a significant breakthrough in the building of the Georgian state. One can hope that this foundation will help the new parliament to carry out more productive legislative work which will create the prerequisites for further development of economic reforms.

Despite the election campaign, monetary reform is being implemented successfully. This has now been recognized even by the irreconcilable opposition. Pessimists and the authors of grim forecasts now believe that the reform has been implemented. The establishment of the lari as the sole form of tender gives us hope that following the elections we will have a powerful instrument for achieving economic revival, especially at a time when the fight against corruption and mafia clans is gaining momentum. This fight is enjoying the active support of the people. Law and order is being established in the country.

One of the clearest indications that the lari is established as the sole form of tender is the current supply-and-demand situation on the internal currency exchange market. Demand for foreign currency, in particular for the U.S. dollar, is falling. The last three sessions of trading at the Tbilisi Interbank Currency Exchange have shown that demand was only $4,000, while supply from commercial banks reached $2 million. Commercial banks want to sell dollars because there has been a marked increase in demand for the lari. [passage omitted] The National Bank allowed the dollar to fall to the 1.27 lari level, and only then bought up the unsold dollars. [passage omitted]

As regards the Russian ruble, people are not showing a major interest, because at present the ruble does not represent either a medium of payment or a medium of accumulation.

The lari will lay a solid foundation for the improvement of the credit environment. The first signs of this are already evident. The National Bank reports that an interbank credit auction was held on 17 October, where all the buyers and seller were commercial banks. Contracts worth a total of 45,000 lari at a 44 percent annual discount rate were agreed. I would like to emphasize this, because we should give all-round assistance to the development of interbank credit trade. These and similar forms of funding should replace the old Soviet practice for issuing credit. You know full well how detrimental this practice has been for the country.

Rising prices, a process which often accompanies money reform, will gradually be brought under control. I know how bitter the people feel about it, especially those whose monthly salary does not exceed three or four lari. But I would like to say to them that a solid trend for the stabilization and reduction of prices is emerging. [passage omitted] According to forecasts by the Department for Socioeconomic Information, inflation will reach the level that existed before the introduction of the new national currency as early as mid-November, and will continue at the same level for the rest of the year and beyond. My forecast is that the price index for foodstuffs and other essential goods will return to its prereform level by the end of October. As you can see, my forecast is even more optimistic.

Meanwhile, the losses the people suffered because of the price hikes after the introduction of the lari will be compensated by a 50-60 percent rise in salaries, pensions, and benefits. So all the problems accompanying monetary reform will be solved by the end of October or the first half of November.

In the future, everything will depend on how consistent and resolute the newly elected authorities are in implementing reforms in the economic and financial spheres. The faster economic reforms are implemented, the better living conditions every citizen will enjoy, and the sooner the country will emerge from the crisis. [passage omitted]

Work done by the Tbilisi and Poti customs houses has recently been good. The Tbilisi customs house contributed $740,000 to the budget in September, which is 250 percent of the average monthly amount collected in the first eight months of the year, and 200 percent of the amount collected in August. The Poti customs house contributed $240,000 to the budget, which is — please pay attention to this figure — 12 times the amount collected in August, and four times the amount collected in the first eight months of the year.

[Oniani, interrupting] Everyone knows what was happening at the Poti customs house up until August.

[Shevardnadze] Yes, I am going to talk about it now. Of course, apart from the customs houses, the consistent work of the mayor's offices in Tbilisi and Poti should also be noted. It should also be noted that the Poti customs house got rid of a blood-sucking leech, such as the former head of the Security Service, Giorgadze, and so did Tbilisi airport. The criminal Giorgadze, his cronies and accomplices, used the proceeds from looting customs houses to achieve their political goals. [passage omitted]

In the next few days another important question will be resolved. That is the distribution among wine producers of 30 billion rubles received on the basis of an agreement signed with the Russian Federation Government. This is being eagerly awaited, especially in the Kakheti, Imereti, and some other regions. Of course, the money will be distributed according to the law, and gradually.

Repair work on the 500-kW Kavkasioni electricity transmission line is almost completed. I have just mentioned the restoration of the Kavkasioni transmission line, and some other things. All these agreements were reached during Mr. Chernomyrdin's visit to Tbilisi. Beginning 21 October [as heard], Sakenergo staff will start accepting the work carried out on individual sections of the Kavkasioni. This will give us the opportunity to receive additional electricity supplies from Russia if we find the money to pay for it. [passage omitted]

It is the first time that passenger trains are arriving in Tbilisi on time. You will remember there used to be delays of two, three, or even up to 24 hours. Sometimes services were suspended. People have stopped using trains. However, in the past two or three days there have been no delays. The transportation of goods is also improving. It is also very important that daily revenue on railways has increased 10- or 15-fold over the past few days, over the last week.

Tomorrow, I will be meeting railway workers and their clientele. We will try to explain to the people of Georgia what was happening on the railways, and how the country can improve the work of this vital artery. If at tomorrow's meeting I see that such a decision is necessary, then I will decide in the next few days on the issue of the accountability of individuals who were in charge of the [railways] department.

So the struggle against corruption and for the improvement of the economy has assumed a large-scale and uncompromising character following the exposure of Giorgadze and Vashakidze [former head of the Railways Department, sacked and arrested on 14 October]. Everything these villains misappropriated will now be used for the benefit of railway workers and the people.

[Oniani] As you said, the signing ceremony for the new constitution was held on 17 October. Also last week, your visit to the United States — during which you planned to attend a UN session devoted to the organization's 50th anniversary — was cancelled. Georgia's UN envoy Petre Chkheidze telephoned your office yesterday, and said that during a break in the UN session he was approached by U.S. President Clinton, who asked him about the situation in Georgia. Our envoy told the President about the situation, and Clinton said that he continues to support Shevardnadze's authorities, to support Georgia, and that he understands the reasons why you decided not to go to New York. You gave your reasons for the cancellation of the visit at a news conference [on 21 October].

What have you failed to achieve by cancelling the visit? And also, did this cancellation mean throwing down the gauntlet, was it some sort of protest against prominent politicians who did not hear you when you were talking about terrorism, the threat of terrorism to the modern world?

[Shevardnadze] Thank you. As you said, I discussed the reasons why I did not go to the United Nations at a news conference, broadcast by television. The main reason was that it would not have been justified to leave the country ahead of the elections.

Apart from that, it is hardly surprising that I was also expressing my disenchantment with the world community's supreme body — I mean the UN Organization - whose primary responsibility is to ensure the security of peoples and states. Georgia has experienced to a greater extent than some other countries how inefficient the United Nations and its Security Council are in dealing with the settlement of bloody conflicts. As I said before, in future there should be discussion of radical reform and transformation of the United Nations, discussion of serious changes that will provide genuine security guarantees on our planet. This should be felt by all peoples and states. There should be discussion on stepping up the international effort against aggressive separatism and neofascism. Such discussion would have been inappropriate during the anniversary celebrations.

Of course, I am disappointed that many meetings which would have been interesting and useful for our country had to be postponed. The visit was expected to include meetings with U.S. President Clinton, other heads of state, business leaders, and others. I hope that these meetings have not been postponed indefinitely, and after the elections we will be able to resume the dialogue and achieve perhaps even better results.

[Oniani] Last week, law-enforcement agencies neutralized a major gang led by Davit Shengelia. It can be said that the law-enforcement agencies are continuing their active campaign against crime.

[Shevardnadze] Shengelia is indeed a dangerous criminal. He was the organizer of most serious crimes in that [western Georgia] region. He and his henchmen committed many very serious crimes in various parts of Samegrelo. I have already said that he brought in a large quantity of goods, electricity cables, and other items from [Abkhazia's] Gali District, and sold large quantities of stolen foodstuffs, including those received as humanitarian aid, in regions controlled by the Abkhaz separatists. He has also committed many other crimes.

At the news conference I said it is becoming clear that had the terrorist act of 29 August been successful, Shengelia would have come to Tbilisi with his gang to establish order, so to speak. Other people would probably have arrived, as well.

I can now confidently tell the population of Samegrelo that we have destroyed the last stronghold of the rule of armed criminals. Every citizen in the region can now work peacefully, and look after their families, and the country's well-being. [passage omitted]

### Shevardnadze Issues Decree on Promoting New Constitution

*LD2310191895 Tbilisi CONTACT INFORMATION AGENCY in Georgian 1500 GMT 23 Oct 95*

[FBIS Translated Text] [no dateline as received] The head of state today issued a decree on measures for promoting the Georgian Constitution. The decree says that the adoption of the new Constitution is a significant event in the country's history and that by adopting it, a legal basis has been laid for building a law- based state. In the meantime, complying with the constitutional norms and implementing them will only become possible provided the whole society and population participate in it.

In order to facilitate the process of studying and implementing the Constitution of 24 August 1995, the decree envisages that: the Constitution be readily available for distribution among the population in the Georgian, Russian, Azeri, and Armenian languages, set in type; the Constitution be distributed to all local bodies; the Constitution be kept in an easily-accessible place so that the population has the possibility to read it; the text of the Constitution, printed according to high standards of typography, be sent to diplomatic missions and international organizations in the Georgian, Russian, English, French, and German languages; propaganda groups be set up at the Georgian Justice Ministry, the Georgian Academy of Sciences, and the Tbilisi State University to give lectures, seminars, and talks on the new Constitution; lectures be held with the help of the Knowledge [Tsodna] society on the Constitution in all settlements of the republic; the subject Georgian Constitution be introduced in all comprehensive schools, as well as at all departments of universities and institutes not specializing in law; scientific and practical conferences, symposiums, and seminars on the Constitution be held at the Georgian Justice Ministry, the Academy of Sciences, high schools, and state institutions; Georgian radio and television be requested to launch the program "Georgian Constitution."

The service for drawing up constitutional acts at the head of state's apparatus has been entrusted with the implementation of the decree.

### Shevardnadze Accuses Former Railroad Chief of Corruption

*LD2210123195 Moscow Radio Rossii Network in Russian 1100 GMT 22 Oct 95*

[FBIS Translated Text] The president and a parliamentary opposition is not a new phenomenon today. Maybe, there is not even one neighboring foreign country left where similar contradictions have not manifested themselves, at least to a certain extent.

In Georgia, everything began after the attempt on the president. Today, the fight against corruption is under way in Tbilisi. Number one who heads the list is Rami Vashikidze, the former head of the Georgian Railways Department.

Eduard Shevardnadze accused Vashikidze of committing all deadly sins. He said that the former head of the department had looted so much that it was possible for him to have three houses in the Georgian capital, including a three-story house full of antiques.

[Correspondent Nikolay Mamulashvili] However, Remi Vashikidze, displaying his principled approach and integrity, while talking to the leader of Georgia always underlined that he was sharing the difficult lot of the country and that he lives with his family in a caravan. When Vashikidze's office was searched, a total of $40,000 was found as well as a lot of jewellery items. Workers of the prosecutor's office also confiscated a new Mercedes and a Jip given to the department as a gift by the UN's Food and Agriculture Organization and later appropriated by Vashikidze. The investigation of this case continues.

Along with Remi Vashikidze, a number of his deputies have also been dismissed. Experts think that the new management of the Railways Department, who inherited an ill-starred fortune, will have to start from scratch.

This is Nikolay Mamulashvili reporting from Tbilisi.

### Abkhaz Defense Minister on Georgian Army, 'Provocations'

*LD2310173795 Moscow INTERFAX in English 1317 GMT 23 Oct 95*

[FBIS Transcribed Text] SUKHUMI, Oct 23 (Interfax) — Abkhazian Defense Minister Sultan Sosnaliyev is convinced that without outside support the Georgian armed forces are incapable of conducting a lengthy and successful operation against Abkhazia.

In a Monday interview with Interfax he said provocations in Gali region of Abkhazia bordering on Georgia may be the first step towards resumption of hostilities that will be presented as a civil war in Abkhazia. In the minister's opinion Georgia is trying to involve Russian peacekeepers in the provocations.

Sosnaliyev said the coming elections in Georgia in which Abkhazia will not participate are the main reason for the tension in his republic.

According to the minister, as many as 30,000 men may join the Abkhaz armed forces, if need be. He singled out the good training and equipment of armored and artillery units of the Abkhaz army.

Sosnaliyev stressed that if the mandate of peacekeepers in Abkhazia is not prolonged, local armed forces are capable of independently controlling the border between Abkhazia and Georgia.

### Yeltsin Decorates Ajara Leader With Order of Friendship

*LD2310213595 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 23 Oct 95*

[FBIS Translated Text] By decree of Russian president Boris Yeltsin, Major General Aslan Abashidze, chairman of the Supreme Soviet of the Autonomous Republic of Ajara and deputy chairman of the Georgian Parliament, has been decorated with Order of the Friendship of Peoples for his contribution to the development of cooperation between peoples and strengthening peace.

## Estonia

### Text of Meri's Address to UN General Assembly

*WS2310110395 Tallinn ETA in English*
*1840 GMT 22 Oct 95*

[Address by President Lennart Meri on the occasion of the 50th anniversary of the United Nations in New York on 22 October; ETA "News Release"]

[FBIS Transcribed Text] Our fathers, who fought in the First World War and in the wars of freedom from colonialism that followed, which in turn inspired U.S. President Wilson's Fourteen Points on the Rights of Self-Determination, created the League of Nations.

That body embodied much idealism and little realism.

That body was not able to halt the game of division played by Hitler and Stalin, it was not able to stop the agonised agitation of colonial dinosaurs or to break the chain of anti-colonial wars that followed and cost between 60 to 100 million in human lives.

President Roosevelt hoped to secure stability in the world by a combination of realism and idealism.

In this way, the United Nations was born.

Idealism reigned in this world parliament, where each state, whether one million or one-hundred thousand million strong, was equal to the others. Realism, on the other hand, was the dominant force in the Security Council, in which the four victorious allies of the Second World War and China exercised the right of veto.

This is how, fifty years ago, the United Nations was called into life.

Let us consider for a moment the numbers. When the United Nations was conceived, there were fifty member states. Today, there are one-hundred and eighty five.

The Republic of Estonia has followed this development with great attention, for three reasons.

First, the occupation of the independent Republic of Estonia by the Red Army pushed us for fifty years into the ranks of colonised peoples. We are sympathetic to their concerns, because we value the Right of Self-Determination, independence and democracy. At the same time, we are an old democracy, we are a state that was born out of the decomposition of an empire, just as did Poland, the Czech Republic, Hungary and many other states.

This is a unique state of affairs: At the same time, we belong to the First and Third Worlds. We hold the same values, principles and goals as the First World, and experience the same disappointments and concerns as the Third World.

Second, one result of the end of colonial empires was the birth of new states, whereas most of those states called "new democracies" are comparable with Estonia from a standpoint of population and land mass. Today, and in this hall, this is less a geographic than a political attribute. Small states are, by definition, more easily wounded, which means that in a security vacuum, small states are more sensitive to barometric changes than large ones. Besides common ideals, we also have common concerns.

Third, as I noted, those states that have risen from the end of colonialism and neocolonialism form a majority in our world community. Unfortunately, this is a Silent Majority. Its voice is weak and ineffectual in this global forum; its voice is not present in the Security Council.

I speak of this here and now, because hope springs eternal.

For this reason, I have two proposals: first, we should consider the idea of a rotating member in the Security Council chosen from among the world's smallest states. Second, I call upon the small states of the world to gather in my capital city, Tallinn, to draft a declaration, the Tallinn Declaration of Small States.

I make these proposals based on the hope that lies in the Silent Majority of this world organisation.

We are easily wounded, thus we are more sensitive.

Because we are more sensitive, we are able to react more quickly.

Because we are able to react more quickly, we are consequently more idealistic.

Small states are more idealistic, so it follows that a more active hope and a desire to remain true to our principles lives in our midst. It was this hope, it was this dedication to principles upon which, under other circumstances, this organisation was founded fifty years ago.

By next December, you, all the member states of the United Nations, will receive a draft of the Tallinn Declaration of Small States. This allows us enough time to consider it and, next September in Tallinn, to gather together in order to work out a mechanism that will turn this Silent Minority into a Constructive Majority, whose decisions will help us to fulfill, in a constructive manner, the aims and principles upon which this organisation is based.

Be well aware of the protocol of this historic meeting. I await your reactions here and now to my proposals, and I look forward to seeing you next September in Tallinn.

### Reactions to UN Speech

*WS2410114995 Tallinn ETA in English*
*1544 GMT 23 Oct 95*

["News Release"]

[FBIS Transcribed Text] Tallinn, Oct. 23 — Reactions to the address of Estonian President Lennart Meri at the General Assembly of the United Nations on Sunday [22 October], where he proposed a rotating member to be accepted to the UN Security Council chosen from among the smallest states of the world, have been favourable, President's advisor in foreign affairs and Chancellor of the Foreign Ministry told ETA on Monday.

Several states, especially the smaller ones, have asked for the text of the speech, congratulated us for the idea and said that the proposal should have been made many years ago, President's advisor in foreign affairs, Kaja Tael, told ETA.

Representatives of larger states have also been among the well- wishers, Tael said. She added that a more stronger reaction could be expected after some time has passed and when work with the materials and their analysis has begun.

Chancellor of the Foreign Ministry Indrek Tarand told ETA that Meri's speech was original, presented interesting ideas and viewpoints and was inspiring both to heads of state and the press.

President Meri also called upon the small states of the world to gather in Tallinn next September to draft the Tallinn Declaration of Small States, which would turn the small states of the UN from the silent majority to the constructive majority.

### Commander-in-Chief Fires Head of Peacekeeping Staff

*WS2310154995 Tallinn BNS in English*
*1300 GMT 23 Oct 95*

[FBIS Transcribed Text] Tallinn, Oct 23, BNS — The head of the department for peacekeeping at the Estonian army central staff, Ltn. Col. Mart Tiru, was fired over nonfulfilment of an order, a spokesman for the central staff said.

Army commander Ltn. Gen. Aleksander Einseln dismissed Tiru and three other central staff officers, including one from Tiru's department, on Oct. 9, the spokesman said.

Officials at the central staff refused to comment on the reason for Tiru's dismissal.

"It was an order which is obligatory for the defense forces and which he didn't fulfill," said Col. Arvo Sirel, the army chief of staff.

There was no official replacement for Tiru by Monday.

### KMU, Reform Party Agree To Form Alliance

*LD2210203595 Tallinn Estonian Television Network in Estonian 1900 GMT 22 Oct 95*

[FBIS Translated Excerpt] The new government coalition has been set up. An hour ago, Tiit Vahi, the candidate for prime minister, and Siim Kallas, the chairman of the Reform Party, signed a coalition agreement between the pact of Party of Consolidation and Rural People's, Pensioners' and Families' Alliance [KMU], and the Reform Party.

The agreement, initialled late on Friday [20 October], was approved by the board of the Reform Party yesterday. Today, the agreement was also approved by the board of the Party of Consolidation and the KMU pact as a whole.

Tomorrow, the talks will continue to agree on the Cabinet of Ministers. After the distribution of ministerial portfolios has been agreed upon, Vahi will address the Riigikogu about the basis for forming a government.

On economy, the coalition agreement says that the independence of the Bank of Estonia from the government will be preserved, the exchange rate of the kroon will stay unchanged, the state budget should be balanced, Estonia will remain a country with an open economy, defensive customs duties and subsidies will not be used in forming its economic policy, the privatization of state-owned property will be speeded up.

In the sphere of government, the decentralization of power will continue.

In the legal system, the principles of the citizenship law, the law on foreigners, and the language law will not be changed. An objective investigation into the largest scandals of the past few years will be guaranteed and the results will be made public.

With regard to foreign policy, integration into the European Union and NATO will be continued.

On social policy, the coalition agreement says that a pension law will be adopted in 1996 and that the coalition will support the development Estonian families via targeted programs.

The coalition partners said that they both had to make compromises.

[Begin Vahi recording] [passage omitted] I think that, now, the alliance between the KMU and the Reform Party is a very good one, particularly for Estonia's stability. [passage omitted] [end recording]

## Latvia

### Ulmanis Supports Enlargement of UN Security Council

*LD2210204995 Riga Radio Riga Network in Latvian 2000 GMT 22 Oct 95*

[FBIS Translated Text] The largest meeting of heads of state in the world's history has begun in New York — leaders of more than 140 countries have gathered for a special session of the UN General Assembly, devoted to the organization's 50th anniversary. It will last three days, and a declaration in connection with the 50th anniversary of the United Nations will be adopted at the end of the session. The leader of each country will make a five-minute speech from the General Assembly's platform.

Latvian President Guntis Ulmanis gave his speech today. In his speech he supported the enlargement of the number of members in the UN Security Council and the need for a reform of the financial system and the system of payments by the member states. The Latvian president also once again proposed the organization of an international UN conference, Disarmament for Environmental Protection, in Riga in 2001. The president had already made this proposal last year.

### Ulmanis To Choose Premier No Earlier Than 7 Nov

*LD2310214895 Moscow INTERFAX in English 1717 GMT 23 Oct 95*

[From the "Presidential Bulletin"]

[FBIS Transcribed Text] The National Reconciliation alliance has received 48 seats in the 100-member Latvian parliament. It is a left-center coalition of the Democratic Party Saimnieks, Unity party, National Accord Party and the movement For Latvia. These are the official returns from the September 30 and October 1 elections published by the central electoral commission.

Saimnieks received 18 seats, For Latvia, 14, Unity Party, 8, and the Party of National Accord, 6.

The National Bloc won 30 seats in parliament and the line-up inside it looks is follows: For Homeland and Freedom, 14 and For National Independence and the Peasant Union, 8 each.

Seventeen seats went to the ruling party Latvian Road, which says it is prepared to cooperate with the National Bloc, and six to the Socialists. IF Note: Under the Latvian Constitution the president nominates a candidate for Prime Minister and asks him to form a new Cabinet to be approved by the new parliament.

Both parliamentary coalitions have declared the intention to form a Cabinet.

President Guntis Ulmanis has said that for ethical reasons he will not name a candidate prime minister until November 7, when the newly-elected parliament meets in session for the first time. He remarked, though, that National Revival looked more constructive, more active and more ready to form a government. IF [INTRFAX] Note: National Reconciliation has nominated Saimnieks leader Ziedonis Cevers as candidate Prime Minister.

Cevers is 35. In Soviet years he was a Young Communist League activist and for a long time led the Latvian YCL [Young Communist League]. From the end of 1992 to July 1993 Cevers was Interior Minister (the youngest government minister in Latvia). Later Cevers led the Drosiba public fund, which declared the protection of businessmen from crime as its chief goal and also sought to foster law and order in other ways. Later he founded the Saimnieks party, which united middle-class businessmen. Last spring Saimnieks merged with the Democratic Party to form what is now the Democratic Party Saimnieks.

Cevers has named his likely twelve-member Cabinet already. Candidate Defence Minister is Odyssey Kostanda, of the For Latvia movement, Candidate Foreign Minister, the leader of the Party of National Accord Janis Jurkans, candidate Finance Minister, Saimnieks member Aivars Kreituss and Candidate Interior Minister, current Interior Minister Janis Adamsons, of the Latvian Road.

### Money Shortage Delays Armed Forces Call-Up

*LD2310203495 Riga Radio Riga Network in Latvian 1000 GMT 23 Oct 95*

[FBIS Translated Text] We have already reported that the autumn call-up to the Latvian Armed Forces has been postponed until 30 November. Only 30,000 lats has currently been received from the total impressive sum of 100,000 lats needed for the autumn call-up. The commander of the Armed Forces has not ruled out the possibility of the call-up being delayed even further if money is not received in time.

It has been planned to call up to the Latvian Armed Forces 410 youths this autumn. The majority of them will serve in the Border Guard Brigade, the rest in other structures of the Armed Forces. Financial problems are also hampering the reform of the call-up to the state service.

## Lithuania

### President Arrives in New York City for UN Anniversary

*LD2210112695 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 22 Oct 95*

[FBIS Translated Text] Lithuanian President Algirdas Brazauskas arrived in New York to participate in the events to mark the 50th anniversary of the United Nations. Algirdas Brazauskas will make a speech in the General Assembly on Tuesday.

During their stay in New York, the delegation headed by Algirdas Brazauskas plans to meet with Greek President Konstandinos Stefanopoulos, King Husayn of the Hashemite Kingdom of Jordan, Uruguay's Vice President Hugo Batalla, and the leaders of some other countries.

Algirdas Brazauskas will attend a reception given by U.S. President Bill Clinton and his wife on the occasion of the anniversary. After this the Lithuanian president will meet with UN Secretary General Butrus Butrus-Ghali. Brazauskas also plans to meet the members of the Board of Administration of the Lithuanian community of the State of New York.

The delegation headed by Algirdas Brazauskas will return to Vilnius on 26 October.

### Belarusian President Demands Prisoner's Release

*LD2110161195 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 21 Oct 95*

[FBIS Translated Text] Lukashenka issues an ultimatum to Algirdas Brazauskas — this is the headline under which today's daily RESPUBLIKA, referring to reliable sources, reports about a letter by the Belarusian President Alyaksandr Lukashenka to the Lithuanian President Algirdas Brazauskas. The letter demands the release of Ivan Kucherov, a Belarusian citizen, who was involved in the events in Vilnius in January 1991, from the Lukiskes prison in Vilnius.

The daily maintains that if the demand is not complied with, President Lukashenka predicts that bilateral relations between the two countries would suffer as a result.

Kucherov was arrested in June 1993 and was sent to the Lukiskes prison in Vilnius together with Mykolas Burokevicius, [first secretary of the Lithuanian Communist Party Central Committee in 1991] and Juozas Jarmalavicius, [high-ranking member of the Lithuanian Communist party in 1991]. He was charged with active participation in the actions of anti-government organizations directed at overthrowing the legitimate government of the country.

The criminal investigation was completed in December last year and this year it will be handed in to the courts of law.

Kucherov is suffering from lung cancer.

The daily RESPUBLIKA writes that the president's spokesman neither confirmed nor denied the report about Lukashenka's letter.

### Figures Show Economic Growth in 1995

*WS2310110195 Tallinn BNS in English 1900 GMT 20 Oct 95*

[FBIS Transcribed Text] Vilnius, Oct 20, BNS — According to preliminary data, Lithuania's GNP during the first half of 1995 amounted to 10.2 billion litas, the department of statistics says.

In the first quarter of the year, the figure was 4.6 billion litas, a decrease of 9 percent from the previous quarter. In the second quarter of the year, a 14 percent increase over the first quarter was registered, with a GNP of 5.6 billion litas.

These figures are based on real prices, adjusted for inflation.

According to latest estimations, the GNP in 1994 increased by one percent over the 1993 level. This year, a 5 percent increase is predicted in the GNP, and the prognosis is for a 4.2 increase over this year's level in 1996.

The greatest increases in the GNP this year were registered in industry (ca. 30 percent), trade (24 percent), agriculture and forestry (ca. 5 percent), construction (7 percent), transportation (6 percent) and banking (almost 3 percent).

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